



# Individualized Education Account (IEA) Program

## 2023-24 Account Holder Handbook

Tennessee Department of Education | July 2023–June 2023-24

# Table of Contents

<b>Table of Contents</b> .....	<b>2</b>
<b>Chapter 1: Introduction</b> .....	<b>4</b>
<i>Purpose of this Handbook</i> .....	4
<i>The Law, Rules, and Procedures</i> .....	4
<i>Eligibility Criteria for the IEA Program</i> .....	5
<i>Term of the IEA</i> .....	5
<i>School Options for Students Enrolled in the IEA Program</i> .....	6
<i>Staying Informed About the IEA Program</i> .....	6
<i>Secure Email</i> .....	7
<i>Fraud, Waste, or Abuse Reporting</i> .....	7
<b>Chapter 2: Rights and Responsibilities</b> .....	<b>8</b>
<i>Parent and Student Rights Retained in the IEA Program</i> .....	8
<i>Parent and Student Rights Waived in the IEA Program</i> .....	8
<i>Students Reaching the Age of Majority</i> .....	11
<i>Updating Account Holder and/or Student Information</i> .....	11
<i>Required Notice of Student’s Legal Status Change</i> .....	12
<i>Required Notice of LEA Change</i> .....	12
<i>Required Notice of School Transfer</i> .....	13
<i>Late Reports and Non-Submittal of Requested Documents</i> .....	13
<i>Freezing (Suspending) or Closing of an IEA</i> .....	14
<i>Appeal Procedures: Request for Reconsideration</i> .....	14
<i>IEA Renewal</i> .....	15
<b>Chapter 3: Student Assessment and Reporting</b> .....	<b>16</b>
<i>List of Approved Norm-referenced Tests</i> .....	17
<b>Chapter 4: Access to IEA Funds</b> .....	<b>20</b>
<i>IEA Debit Card</i> .....	20
<i>Receipt of IEA Funding Disbursements</i> .....	22
<i>IEA Funds – 50% Spending Requirement</i> .....	23
<i>Misspent IEA Funds</i> .....	24
<b>Chapter 5: Approved Use of IEA Funds</b> .....	<b>26</b>
<i>Required Pre-Approvals: Basic Instructions</i> .....	28
<i>Tuition, Fees, and/or Textbooks Required at a Participating Nonpublic School</i> .....	28
<i>Tutoring and Educational Therapy Services</i> .....	30
<i>Curriculum</i> .....	30
<i>Computer Hardware and Other Technological Devices</i> .....	31
<i>Test Fees</i> .....	32
<i>Tuition/Fees for Online Learning Program/Courses</i> .....	33
<i>Public School Services</i> .....	34
<i>Tuition, Fees, and/or Required Textbooks at an Eligible Post-Secondary Institution</i> .....	35
<i>Transportation</i> .....	38
<i>Tennessee Achieving a Better Life Experience (ABLE TN) Account Contributions</i> .....	38
<i>Coverdell Education Savings Account Contributions</i> .....	40
<i>Reselling Items Purchased with IEA Funds</i> .....	43

<b>Chapter 6: Tutors and Therapy Providers .....</b>	<b>44</b>
<i>Account Holder Responsibilities Regarding Tutoring and Therapy Services .....</i>	44
<i>Disallowed Expenses Regarding Tutoring and/or Therapy Services* .....</i>	45
<i>Criminal Background Check Requirement .....</i>	46
<i>Educational Therapy Services .....</i>	47
<i>Educational Tutoring Services.....</i>	49
<b>Chapter 7: Expense Reporting .....</b>	<b>52</b>
<i>Disbursement and Expense Report Schedule for 2022-23 (Deadlines).....</i>	52
<i>Expense Reporting Instructions .....</i>	52
<i>Reporting Expenses for Tuition, Fees, and/or Required Textbooks at a Participating Nonpublic School.....</i>	54
<i>Reporting Expenses for Educational Therapy Services .....</i>	55
<i>Reporting Expenses for Educational Tutoring Services.....</i>	55
<i>Reporting Curriculum Expenses .....</i>	56
<i>Reporting Computer Hardware and Technological Device Expenses .....</i>	56
<i>Reporting Test Fee Expenses .....</i>	57
<i>Reporting Expenses for Tuition/Fees for Online Learning Program/Courses.....</i>	57
<i>Reporting Expenses for Public School Services.....</i>	57
<i>Reporting Expenses for Tuition, Fees, and/or Required Textbooks at a Post-secondary Institution.....</i>	58
<i>Reporting Transportation Expenses.....</i>	58
<i>Reporting Achieving a Better Life Experience (ABLE) Account Contributions .....</i>	59
<i>Reporting Coverdell Education Savings Account Contributions .....</i>	60
<i>Reporting Fees Associated with Use of the IEA Debit Card .....</i>	61
<i>Reporting Disallowed Expenses .....</i>	61
<b>Chapter 8: Exiting the IEA Program .....</b>	<b>62</b>
<i>Voluntary Withdrawal.....</i>	63
<i>Non-Renewal of the IEA .....</i>	64
<i>Completion of the IEA Program .....</i>	64
<i>Involuntary Removal by the Department .....</i>	65
<i>Appeal Procedures: Request for Reconsideration .....</i>	66
<b>Chapter 9: Quick Link References.....</b>	<b>67</b>

# Chapter 1: Introduction

The Individualized Education Account (IEA) Program is a school choice program for eligible K-12 students with qualifying disabilities. The IEA Program, administered by the Tennessee Department of Education (department), provides parents, guardians, and qualified students options for choosing the educational opportunities that best meet the individual student's unique learning needs through access to public education funds.

The IEA Program is funded by the [Tennessee Investment and Student Achievement \(TISA\)](#) funding formula for Tennessee's K-12 public schools. The maximum annual IEA award to which an eligible student is entitled is equal to the amount representing the total funding allocation that the student generates under. For the purpose of funding calculations, each eligible student who participates in the IEA program must be counted in the enrollment figures for the local education agency (LEA) in which the student resides and is zoned to attend. The IEA funds will be subtracted from the state funds otherwise payable to the LEA.

## Definitions:

In the remainder of this document, the term “**account holder**” will be defined as: the individual (parent, legal guardian, or student who has reached the age of majority) who submits the IEA application, signs the IEA contract, manages the IEA funds, and is responsible for complying with the requirements of the IEA Program.

In the remainder of this document, the term “**parent**” will be defined as: a parent, legal guardian, person who has custody of the child pursuant to an order of a court of competent jurisdiction, or person with educational decision-making authority pursuant to a conservatorship under T.C.A. § 34-3-101 et seq., pursuant to a power of attorney for care of a minor child under T.C.A. § 34-6-301 et seq., or pursuant to a durable power of attorney under T.C.A. § 34-6-101 et seq.

In the remainder of this document, the term “**local educational agency**” (**LEA**) refers to a public board of education or other public authority legally constituted for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State.

## ***Purpose of this Handbook***

The *IEA Account Holder Handbook* is designed to provide account holders with comprehensive information regarding the IEA Program's policies and implementation procedures. This handbook, along with additional information about the IEA Program, is posted on the department's [IEA webpage](#). Please note this handbook is subject to changes at any time necessary during the contract year. The IEA team will notify account holders of any change(s) and the effective date(s). All changes will be effective upon publication and will not be retroactive.

## ***The Law, Rules, and Procedures***

The Individualized Education Act, Tennessee Code Annotated ([T.C.A. § 49-10-1401 et seq.](#)), was signed into law by the Governor on May 18, 2015, and the first individualized education accounts (IEAs) were awarded in January 2017. The Tennessee State Board of Education (SBE) has approved rules, [Chapter 0520-01-11](#), and

the department has developed implementation procedures for the IEA program. Links to the IEA Program Law and Rules are posted on the department's [IEA webpage](#).

### Note:

A student participating in the IEA Program may not be dually enrolled in the IEA Program AND the [Educational Savings Account \(ESA\) Program](#). Students may apply for both programs but may only participate in and receive funding from one (1) program. [Tenn. Code Ann. § 49-6-2603\(j\)](#)

## ***Eligibility Criteria for the IEA Program***

An eligible student must meet the following eligibility requirements at [T.C.A. § 49-10-1402\(3\)](#) and [SBE Rule Chapter 0520-01-11-.02\(11\)](#):

- Student is a resident of Tennessee with an active Individualized Education Program (IEP)<sup>1</sup> with one of the following disabilities listed as the primary or secondary disability in effect at the time the department receives the request for participation in the Program. For the purposes of this chapter, the department receives the request for participation in the Program on the date the application window for the IEA program closes. Qualifying disabilities for eligible students include the following: Autism, Deaf-blindness, Developmental delay, Hearing impairment, Intellectual disability, Multiple disabilities, Orthopedic impairment, Specific learning disability, Traumatic brain injury, or Visual impairment; **and**
- Student meets at least **one** of the following requirements:
  - was previously enrolled in and attended a Tennessee public school for the entire school year immediately preceding the school year in which the student receives an IEA;
  - has not previously attended a K-12 school in Tennessee, but is currently eligible to enroll in a kindergarten program in a public school in this state;
  - has not previously attended a school in Tennessee for the one full school year immediately preceding the school year in which the student receives an IEA, and moved to Tennessee less than one year prior to the date of enrollment in the IEA Program; **or**
  - received an IEA in the previous school year.

## ***Term of the IEA***

The 2023-24 contractual term of the IEA is projected to begin on July 1, 2023, and end on June 30, 2024. A student who enrolls in the IEA Program will remain eligible for one contractual year unless one of the following occurs for the participating student:

- withdraws from the Program;
- returns to a public school;
- moves out of the state of Tennessee;
- graduates from high school (including passing the GED or HiSET);

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<sup>1</sup> "Active IEP" means a written statement for a child with a disability that is developed, reviewed, and revised in accordance with 34 C.F.R. §§ 300.320 through 300.324 that is being implemented on the date the application window for the IEA program closes. [SBE Rule 0520-01-11-.02(3)]

- reaches 22 years of age before Aug. 15 of the next school year (i.e., a student cannot turn 22 years old on or before Aug. 15, 2023, to be enrolled in the IEA Program for the 2023-24 school year); or
- is removed from the IEA Program by the department.

### **Reminder:**

If any of the above events occur, the account holder must notify the department by submitting an [IEA Student Withdrawal Form](#) and email to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov). The account holder must also notify the IEA liaison of the LEA in which the student resides. Contact information for LEA liaisons for the IEA Program is posted on the [IEA webpage](#).

## ***School Options for Students Enrolled in the IEA Program***

A participating student must enroll in and attend either a participating nonpublic school, a participating home school umbrella program, or an independent home school which meets the requirements of the department, including the requirements of Tennessee's school attendance law ([T.C.A. § 49-6-3005](#)). Students enrolled in the IEA Program are eligible to use IEA funds for the approved expenses detailed in chapter 5 of this handbook; however, to receive IEA funds to pay for tuition, fees, and/or required textbooks for a nonpublic school, the school must be approved by the department and listed on the IEA program's participating nonpublic schools list for the IEA contract year. A list of participating nonpublic schools for the IEA Program is posted under "Resources" on the [IEA webpage](#).

### **Reminder:**

Participating nonpublic schools are not required to admit students enrolled in the IEA Program and are not obligated to provide students with special education services. Students must meet all requirements for admission set by the participating nonpublic school.

### **Resource:**

For more information on school options, review the [School Choice](#) resource link posted on the department's website.

## ***Staying Informed About the IEA Program***

The department provides program information and resources for account holders on the [IEA webpage](#) and through a monthly *IEA Newsletter*, dispersed via email. Please review the *Newsletter* and webpage regularly for essential information about the IEA Program. The IEA team will also host training sessions and virtual "Office Hours" to provide technical assistance to IEA account holders. Information about the dates, times, and how to register will be posted on the department's IEA webpage and announced through the *IEA Newsletter*. If unable to attend a training, a recording will be posted on the [IEA webpage](#).

## IEA Program Contact Information:

For questions or additional information about the IEA Program, please contact the IEA team by leaving a voicemail at **(615) 253-3781** or sending an email to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov).

### ***Secure Email***

The Family Educational Rights and Privacy Act of 1974 (FERPA) is the federal law that protects the privacy of student education records. The department ensures that student information is kept confidential and secure. To securely send electronic communications to external users, including IEA account holders and applicants, the IEA team will send any documents containing financial information by secure email. An email sent from the State IEA Program will originate from a tn.gov email address and will list “[secure email]” in the subject line. The body of the email will contain directions to view the contents of the email.

### ***Fraud, Waste, or Abuse Reporting***

Citizens and agencies are encouraged to report fraud, waste, or abuse in State and Local government. NOTICE: This agency is a recipient of taxpayer funding. If an agency director or employee is observed engaging in any activity which is considered to be illegal, improper, or wasteful, please call the State Comptroller’s toll-free Hotline: **1-800-232-5454**. Tennessee citizens may also report suspected fraud related to the IEA Program to the department online using this [online fraud reporting form](#).

# Chapter 2: Rights and Responsibilities

## ***Parent and Student Rights Retained in the IEA Program***

- While a student participating in the IEA Program does not retain the right to receive special education and related services through an Individualized Education Program (IEP), the participating student does retain the right to continue special education eligibility. **Enrollment in the IEA Program does not result in automatic non-eligibility determinations. Eligibility decisions are made solely by the student's IEP team.**
  - Once a student has been determined eligible for the IEA Program, prior to being coded as enrolled in the IEA Program, the parent/guardian and the LEA must convene an IEP team meeting to consider the need for an Individualized Service Plan (ISP).
  - Please note that the department has recently updated its guidance to inform school districts that students participating in the IEA Program should continue to be marked as eligible for special education and related services, but inactive due to participation in the program. If a student has previously been determined ineligible for special education and related solely because he or she is participating in the IEA Program, please be aware that the department has requested the school district, in which the student resides, to reach out to the parent/guardian and request permission to evaluate the student for special education and related services. If the school district has not reached out, please be aware that the parent/guardian can request an evaluation. Ensuring that the student has been evaluated and is eligible for special education and related services will assist the student in securing an ISP from the school district and will make reenrolling the student in public school easier, should the parent/guardian ever choose to do so.
- If a student resides within the geographic boundaries of one LEA, but attends a nonpublic school within the geographic boundaries of another LEA, a parent/guardian may request a reevaluation from either LEA. The department encourages parents/guardians to only request a reevaluation from one LEA at a time. If interested in a student returning to public school and receiving FAPE through an IEP, the Department encourages parents/guardians to request a reevaluation from the LEA in which the student resides. If interested in a student staying in the nonpublic school and receiving equitable services through an Individualized Services Plan (ISP), the department encourages parents/guardians to request a reevaluation from the LEA in which the nonpublic school is located.
- Upon signing the IEA Account Holder Contract, the account holder has the right to withdraw the student from the IEA Program at any time, following the procedures in chapter 8 of this handbook, and enroll the student in a public or nonpublic school or a home school independent from the Program. Prior to re-enrolling in public school, account holders must notify both the department and the LEA to provide information that the student intends to withdraw from the IEA Program. Please see chapter 8 for detailed information on these requirements.

## ***Parent and Student Rights Waived in the IEA Program***

By signing the *IEA Account Holder Contract* and accepting IEA funding, account holders acknowledge the following:

- The student will have no individual entitlement to a Free Appropriate Public Education (FAPE). Participation in the IEA Program has the same effect as a parental refusal to consent to the receipt of

specially designed instruction and related services pursuant to the Individuals with Disabilities Education Act (IDEA) at 20 U.S.C. § 1414. The student's individualized education program (IEP) is no longer in effect, and the LEA will not be required to provide accommodations or services listed in the IEP.

- The LEA in which the student was previously enrolled is not obligated to provide special education or related services to the student during the term of the IEA. While in the IEA Program, the student may be entitled to equitable services through an individualized services plan (ISP). The student's IEP will be reactivated upon returning to public school.
- Participating nonpublic schools are not required to provide special education services for the student.

### **Account Holder Responsibilities**

By signing the *IEA Account Holder Contract*, account holders commit to the following obligations:

- *Accept full legal responsibility for directing the education of the student, including obtaining services necessary to educate the student:*
  - enroll the participating student in a nonpublic or home school that meets the compulsory school attendance requirements in state law ([T.C.A. § 49-6-3005](#)); and
  - provide an education for the participating student in at least the subjects of English language arts (ELA), mathematics, social studies, and science.
- *Research, review, and contract with participating nonpublic schools, approved therapists, and approved tutors, as needed.*
  - The department does not endorse any school, therapist, tutor, or provider. Account holders are strongly encouraged to thoroughly research the quality and cost of schools, therapists, and tutors with which they contract for providing educational services to the student.
  - The account holder is responsible for any contract signed with a school, individual, and/or provider and must ensure that the terms of the contract are fulfilled. The department cannot void a private contract, give legal advice, or arrange payment schedules.
  - Account holders must receive pre-approval from the department for educational therapy and tutoring services before the services are provided and/or paid (see chapter 6 of this handbook).
  - The account holder is responsible for repayment of all ineligible expenses and any eligible expenses spent in excess of the amount of the IEA (see chapter 4 of this handbook).
- *Submit quarterly expense reports and receipts to the department.*
  - Account holders are solely responsible for using IEA funds in accordance with the laws, rules, and procedures of the IEA Program.
  - [SBE Rule 0520-01-11-.06\(3\)](#) provides that "the Account Holder shall submit expense reports and receipts for all IEA funds expended in accordance with procedures set by the Department." Section 4(D) of the IEA Account Holder Contract states that the Account Holder "must submit

documentation of all IEA expenditures on a quarterly basis” and “at minimum, documentation must include . . . receipts for each expenditure.” Each quarter, account holders must submit to the department expense reports and receipts showing a record of all expenses paid using IEA funds in that quarter, by the dates set by the department. The receipts and expense reports must match the IEA debit card account statements (see chapter 7).

- *Comply with all the state laws, rules, and procedures for the IEA Program.*
  - By July 14, provide written notice to the LEA in which the student resides that the student is participating in the IEA Program, and provide verification of such notification to the department. (The LEA may require the student to be registered with their district for state coding purposes.)
  - As required by state law, [T.C.A. § 49-10-1403 \(e\)](#), if a student is in grades 3–8, the account holder must submit verification to the department indicating that the student has taken **either** a nationally norm-referenced test(s) approved by the department **or** the Tennessee Comprehensive Assessment Program (TCAP) test(s), or any future replacements of the TCAP tests, in at least the subjects of mathematics and English language arts (ELA). Please see chapter 3 of this handbook for details, including exemption status, if relevant.
  - Account Holders are not required to spend the entire IEA sum each year; however, at least fifty percent (50%) of the amount of annual funding disbursed into the IEA account must be spent on approved expenses by the deadline for submission of the last expense report of each contract year. [SBE Rule 0520-01-11-.04\(6\)](#). See chapter 4 of this handbook for details.
  - The relevant laws, rules, and procedures that account holders must follow are explained in this handbook. Links to the IEA Program law and SBE Rule are posted on the department’s [IEA webpage](#).

If an IEA account holder fails to comply with these requirements, the student is subject to removal from the IEA Program. Students who are removed from the IEA Program may not be allowed to reapply to the program. Account holders may appeal removal from the IEA Program following the procedures in chapter 8.

### Reminder:

Failure to comply with any state law, rule, procedure, or contractual obligation may result in the student’s IEA being suspended or the student being permanently removed from the IEA program.

Common issues that result in suspension or termination of the IEA include:

- failure to appropriately spend IEA funds;
- failure to submit a complete Quarterly Expense Report form, with receipts, by the deadlines set by the department;
- for students in grades 3-8, failure to submit proof that the participating student has completed the IEA program assessment requirements and to submit a complete Assessment Verification Form and Score Report by the deadline set by the department; and
- failure to notify the department within seven (7) calendar days if any of the account holder’s or student’s information changes (e.g., physical address, email address, phone number, change in school or grade level, name change, return to public school, or graduation from high school).

## ***Students Reaching the Age of Majority***

Unless there has been a previous legal determination that a non-minor student is incompetent to make educational decisions, all educational rights transfer to the student upon reaching the age of majority (age of 18). This includes the right to determine whether the student will continue to waive individual rights under the Individuals with Disabilities Education Act (IDEA) and continue to participate in the IEA Program or exercise the right to cancel the IEA and withdraw from the IEA program.

Upon the student's reaching the age of majority, to continue participation in the Program during the current year or to renew an IEA for the following school year, the student or account holder must complete the following:

The student, acting as the IEA account holder, must sign and submit a notarized power of attorney document that conforms with T.C.A. § 34-6-101 *et seq.*, and states that the attorney-in-fact (the parent applicant) has the authority to make both:

- 1) educational decisions regarding placement and participation of the student in the IEA Program; **and**
  - 2) banking and financial decisions and transactions as limited to management, control, and access of the IEA; **or**
- The parent applicant must provide to the department documentation showing that he or she has been appointed as conservator of the student. The documentation must explicitly state that the conservator has the ability to make educational and financial decisions for the student (see below for more information on submission of required documentation).

## ***Updating Account Holder and/or Student Information***

Account holders must regularly verify/update contact information on file to ensure regular and timely communications from the department. This includes, but is not limited to, any changes made to the following:

- email address
- physical address
- phone number
- school type e.g., independent home school, nonpublic school)
- student's grade level
- LEA of residence
- change in legal status (i.e., conservatorship or Power of Attorney documentation)

Account holders must report any of the aforementioned changes to the department by submitting the [Account Holder and Student Information Update Form](#). Access to all forms is available on the [IEA webpage](#). Please note that failure to timely report changes to the department will result in a delay of the next, and possibly future, IEA funding disbursements.

### **Address Changes:**

The account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation:

- proof of residency showing the account holder's name and physical address (e.g., a copy of most recent utility bill, current rental agreement, current property tax bill, affidavit from a landlord, or most recent mortgage statement); **and**
- a [W-9 form](#) listing the account holder's name (not spouse's name) and physical address.

### **Name changes:**

If the account holder's legal name changes, the account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation:

- proof of legal name change (e.g., marriage license, current driver's license); **and**
- a [W-9 form](#) listing the account holder's name and physical address.

### **Grade level changes:**

If the student's grade level changes from what was reported on the New Student or Renewal Student applications, the account holder must submit the [Account Holder and Student Information Update Form](#) along with the following documentation:

- a letter from the home school coordinator in the LEA listing the grade level of the student; **or**
- a letter from the nonpublic school that the student attends stating the grade level of the student.

### **Required Notice of Student's Legal Status Change**

If the student has reached the age of majority (age 18), the student or the account holder who holds conservatorship or Power of Attorney (POA) for the student must submit the following as soon as a final signed document is available:

- notarized power of attorney document that conforms with T.C.A. § 34-6-101 *et seq.*, and states that the attorney-in-fact (the parent applicant) has the authority to make educational decisions regarding placement and participation of student in the IEA Program and banking and financial decisions and transactions as limited to management, control, and access of the IEA; **or**
- documentation showing that the applicant parent has been appointed as conservator of the student. (The best documentation is generally the *Order Appointing a Conservator* that has been signed by the judge. The documentation must explicitly state that the conservator has the ability to make educational and financial decisions for the student.)

Without documentation showing a valid conservatorship or POA, the account holder cannot make any decisions on behalf of the student including receiving communication or funds from the IEA Program. If a student wishes to replace their parent or guardian as the account holder, the student should contact the IEA Program.

### **Required Notice of Student Custody Change**

An account holder must be a parent as defined by the State Board of Education [Rule 0520-01-11-.02\(18\)](#), which defines a "parent" as the parent, legal guardian, person who has custody of the child, or person with caregiving authority for the child. If the account holder no longer qualifies as a parent as defined in Rule, the account holder must contact the IEA Program within seven (7) calendar days.

### **Required Notice of LEA Change**

Each eligible student who participates in the IEA Program must be counted in the enrollment figures for the LEA in which the student resides and is zoned to attend. If a student enrolled in the IEA Program moves from

one LEA to another, the account holder must provide written notification to the department, the IEA liaison of the LEA that the student has moved from, and the IEA liaison of the LEA the student has moved to, within seven (7) calendar days from the date the student's residence changed. The current list of LEA liaisons can be found under the "[Resources](#)" section of the [IEA's webpage](#) for parents and students. An account holder's failure to timely report a change in LEA residence will result in a delay of the next, and possibly future, IEA funding disbursements.

### **Reminder:**

Forms and supporting documentation must be received by the department within seven (7) calendar days of any of the above changes being effective. Failure to provide this information to the department by the seven-day deadline may result in the suspension of the IEA account and/or removal of the student from the IEA Program.

The IEA account holder must also notify the IEA district liaison within seven (7) calendar days from the date the student's residence changed.

## ***Required Notice of School Transfer***

If a student enrolled in the IEA Program transfers to or from a participating school in the IEA Program, the account holder must notify the department within *seven (7) calendar days* from the date the student was withdrawn from/enrolled in the participating school by completing and submitting the [Notice of School Transfer Form](#) and providing the supporting documentation requested on the form. Account holders must include whether or not the school the student withdrew from will be issuing a refund for any tuition/fees that were pre-paid using IEA funds, if applicable.

### **Reminder:**

If the [Notice of School Transfer Form](#) is not submitted to the department within seven (7) calendar days from the date the student was withdrawn from/enrolled in the school along with all the required documentation, the department may suspend a student's IEA or remove the student from the IEA Program.

Account holders must also notify the IEA liaison of the LEA in which the student resides if the student transfers from a home school to a nonpublic school or from a nonpublic school to a home school.

## ***Late Reports and Non-Submittal of Requested Documents***

Account holders must submit all required documentation and reports by the deadlines set by the department including, but not limited to:

- all application forms and supporting documentation;
- contract forms and supporting documentation;
- expense reports and receipts;
- assessment verification form and score report (or proof of exemption, if applicable);
- student/parent information updates, if applicable; and
- notice of school transfer, if applicable.

If an account holder does not submit the required documentation and reports by the established deadlines, the department may freeze (suspend) the IEA, and/or remove the student from the IEA Program following the procedures in chapter 8 of this handbook. Funding may also be delayed as updates are made to the account.

### ***Freezing (Suspending) or Closing of an IEA***

In accordance with the [IEA Act](#) and [SBE Rules](#) for the IEA Program, the department will enforce all account holder requirements and responsibilities outlined in this handbook. The department has the authority to freeze (suspend) IEA funds in the debit card account, withdraw existing funds from the account, and/or close the account for reasons including, but not limited to:

- fraud;
- misuse of funds;
- failure to submit complete forms by deadlines;
- failure to comply with the terms of the state laws, rules, department procedures, or the IEA Account Holder Contract;
- student returning to the LEA;
- student exiting the IEA Program; or
- funds being deposited into the account in error (see chapter 8).

**Note:** Expenditures of any IEA funds after a department determination of misuse will categorically result in the immediate termination of the IEA Contract, and the student's immediate and permanent removal from the IEA Program.

### ***Appeal Procedures: Request for Reconsideration***

In accordance with [SBE Rule 0520-01-11-.10](#), an account holder may appeal any department decision regarding the following determinations:

- a denial of determination of eligibility;
- a denial of an expense paid using IEA funds; and/or
- removal of the student from the IEA Program.

To appeal a department decision, the account holder must complete the following:

- **Step 1:** Step One appeals shall be reviewed by the Commissioner or the Commissioner's Designee. Step One appeals must be submitted to the department within fourteen (14) calendar days of the department electronically sending the determination that is being appealed. The day that the department sends the determination shall not count as part of the fourteen (14) calendar days. To file a Step One appeal, complete the [Step One Appeal Form](#) posted on the [IEA webpage](#), and email the completed form to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov). Appeal forms submitted after the deadline, incomplete appeal forms, or appeal forms with vague language that does not clearly articulate the issue on appeal will not be reviewed. The department shall make a determination and issue an electronic notification to the appealing party within forty-five (45) calendar days of receiving the Step One appeal.
- **Step 2:** If the department denies the Step One appeal, the appealing party may file a Step Two appeal. Step Two appeals shall be reviewed by an administrative law judge in accordance with procedures set forth in the Uniform Administrative Procedures Act, T.C.A. §§ 4-5-301 et seq. Step Two appeals must be

submitted to the department within thirty (30) calendar days of the department electronically sending the Step One determination. The day that the department sends the Step One determination shall not count as part of the thirty (30) calendar days. To file a UAPA appeal, please complete the [UAPA Appeal Form](#) posted on the [IEA webpage](#). After the UAPA appeal form has been submitted to the department, the account holder will be notified by an administrative law judge who will set the date and time of the hearing.

## ***IEA Renewal***

To renew an IEA for the following contract year, the account holder must complete the following:

- Submit a Renewal Student Application to the department, including all supporting documentation, by the deadline posted on the IEA webpage, and receive approval;
- Read the IEA Account Holder Handbook for the new contract year (the handbook will be posted on the IEA webpage);
- Submit a signed IEA Account Holder Contract for the new contractual year, including all supporting documentation (i.e., *IEA Account Holder Assurances* and *FERPA Waiver*) to the department by the required deadline; ***and***
- By July 14, provide written notice to the LEA in which the student resides that the student is renewing the IEA.

# Chapter 3: Student Assessment and Reporting

As required by state law, [T.C.A. § 49-10-1403 \(e\)](#), if a student is in grades 3–8, the account holder must submit verification to the department indicating that the student has taken **either** a nationally norm-referenced test(s) approved by the department **or** the Tennessee Comprehensive Assessment Program (TCAP) test(s), or any future replacements of the TCAP tests, in at least the subjects of mathematics and English language arts (ELA).

## Note:

Grade levels for students participating in the IEA Program are in accordance with department records, *not* individual instructional levels or nonpublic school placements. As each student in the IEA Program is required to be registered with the LEA in which they reside, the student’s grade level will be listed in accordance with such records.

Students with disabilities who would have participated in the alternate assessment, **as determined on the student’s most recent IEP**, are exempt from the assessment requirement. Decisions regarding a student’s participation in the TCAP Alternate Assessment are made solely by the student’s IEP team, and no alternate nor abbreviated testing determinations may be made outside of an IEP meeting. The IEA Program cannot make any decisions regarding a student’s participation in the TCAP Alternate Assessment. Only those students for whom the most recent IEP listed that the student would participate in the Tennessee Alternate Assessment, as shown in the example below, are exempt from this assessment requirement.

State/District Mandated Tests		
<input type="checkbox"/> Student will participate in the following state/district mandated assessment(s):		
<input type="checkbox"/> Achievement	<input type="checkbox"/> EOC	<input checked="" type="checkbox"/> Tennessee Alternate Assessment
<input type="checkbox"/> WIDA Access	<input type="checkbox"/> WIDA Access (Alternate)	<input type="checkbox"/> PLAN
<input type="checkbox"/> ACT	<input type="checkbox"/> EXPLORE	
District Assessment:		
<input type="checkbox"/> No Accommodations	<input type="checkbox"/> Accommodations	

## Reminder:

**All** account holders of students who are in grades 3-8, even those students who have proof of exemption, are required to annually submit an assessment verification form to the department within the deadlines established by the department.

**Please note:** Students who take the TCAP assessment must take the regular TCAP assessment (not the TCAP-Alt/portfolio assessment) and will not be entitled to testing accommodations under the Individuals with Disabilities Education Act (IDEA). The department will not publicly release individual student data.

To remain in the IEA Program, participating students cannot be medically exempt from the statutory testing requirements. If requested by the parent/legal guardian, LEAs must administer the TCAP test(s) to any student, if the student:

- resides in the LEA;
- is in grades 3-8; and
- is enrolled in the IEA Program.

If the student is participating in the TCAP assessment, IEA account holders must contact either the school district or the nonpublic school, whichever will be administering the assessment, and register by **Dec. 15** of the participating school year. Account holders may use IEA funds to pay for test fees, including the cost to administer the test, following the guidelines in chapter 5.

### Reminder:

Account Holders are encouraged to make assessment decisions early in the school year to ensure that:

- the school of choice is able to administer the test, *and*
- account holders are able to submit the score report to the department by established deadlines.

### ***List of Approved Norm-referenced Tests***

Students may participate in any of the following norm-referenced achievement tests that are approved by the department to fulfill the assessment requirement. IEA funds may be used to pay for the assessment.

- \*California Achievement Test (CAT)
- TerraNova
- Iowa Test of Basic Skills (ITBS)/Iowa Assessment
- Tests of Academic Proficiency (TAP)
- Metropolitan Achievement Test (MAT)
- \*Stanford Achievement Test (SAT 10)
- Comprehensive Testing Program (CTP) IV - Educational Records Bureau (ERB)
- ACT Aspire
- Scantron Performance Series
- Woodcock Tests of Achievement, Fourth Edition (WJ-IV) Test
- \*MAP Growth Test
- Wechsler Individual Achievement Test, Third Edition

*\*Online option for home administration*

Account holders may submit a request to the department for approval of additional norm-referenced assessments. The request should be emailed to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov) and should include the following:

- the name of the requested assessment;
- the name of the assessment vendor; and
- a web link to the assessment vendor's website where a description of the assessment is posted.

Requests for a norm-referenced test that is not currently included on the department's list of approved norm-referenced test options must be submitted each year for the student. Upon written request, the department will review any request to approve an additional norm-referenced assessment and will notify the account holder of the status of the request within 30 calendar days. Account holders are encouraged to submit requests as early as possible in the school year to ensure that the department has time to review and approve the test, and the account holder has time to administer the test before the deadline. Before submitting a request, account holders should review the following definition of a norm-referenced test.

## Definition:

**Norm-referenced** refers to standardized tests designed to compare and rank test takers in relation to one another. Norm-referenced tests report whether test takers performed better or worse than a hypothetical average student, determined by comparing scores against the performance results of a statistically selected group, typically of the same age or grade level, who have already taken the exam.

## Where do students take the assessments?

Assessment	Private School Students	Home-School Students
TCAP tests (or any replacement tests)	Account holders may contact the student's private school to request that the test be ordered from the department, and the private school will administer the test. Account holders may also contact the LEA in which the student is zoned to schedule for the student to take the assessment.	Account holders should contact the LEA with which the student is registered to schedule for the student to take the assessment.
Other department-approved norm-referenced assessments	Account Holders should contact the student's private school to inquire if the school can order and administer the test. Depending on which test the account holder chooses, the test could be ordered directly from the testing company or administered through a local testing center.	Depending on which test the account holder chooses, the test could be ordered directly from the testing company or administered through a local testing center.

## Required Assessment Verification

Account holders must submit annual verification that students in grades 3–8 have completed one of the approved aforementioned assessments **or** must submit exemption verification (e.g., copy of the Student's IEP page indicating participation in the Tennessee Alternate Assessment).

**Reminder: Grade levels for students participating in the IEA Program are in accordance with department records, *not* individual instructional levels or nonpublic school placements. As each student in the IEA Program is required to be registered with the LEA in which they reside, the student's grade level will be listed in accordance with such records. This is used to determine which students must participate in the assessment requirement and which grade-level assessment they must receive.**

For all students in grades 3-8, account holders must complete and submit to the department a [Student Assessment Verification Form](#) by the deadline posted on the IEA webpage (Key Dates document). Along with the [Student Assessment Verification Form](#), if the student takes a norm-referenced assessment instead of the TCAP, the account holder must submit copies of the student's assessment score report that includes all of the following:

- name of the student;
- name of the norm-referenced assessment;

- date the assessment was administered;
- location where the assessment was administered (e.g., name of the school or testing center); and
- student's demonstrated progress on the assessment (e.g., the test score) in department recorded grade level.

### **Reminder:**

Failure to submit an Assessment Verification Form and copies of the student's assessment score report or proof of exemption, if applicable, by the deadline set by the department can result in removal of the student from the IEA Program. Students of account holders who do not submit the form and supplemental materials by the deadline established by the department may be prohibited from participating in the IEA Program in the future.

An extension to the annual IEA student assessment requirement deadline for students in grades 3-8 may be available only if the approved norm-referenced assessment is administered by a participating nonpublic school and that school submits a signed statement on school letterhead listing:

- the students' names who participated,
- the norm-referenced assessment(s) administered,
- the dates the assessment(s) was/were administered,
- the dates the score reports are expected, and
- an assurance that score reports will be submitted to the IEA Program by an identified date.

This signed statement must be submitted to the IEA Program before the annual deadline.

# Chapter 4: Access to IEA Funds

Account holders will receive access to IEA funds (state and local public education funds) via a debit card account. The IEA funds are administered by the department through a state contract with Conduent, State & Local Solutions, Inc.

- **The IEA Program is direct payment only. The IEA Program will not reimburse account holders for any personal funds spent.**
- IEA funds may only be used for approved educational expenses that meet the criteria in chapters 5 and 6 of this handbook.
- All IEA fund expenditures must be reported to the department within established deadlines, and all invoices/receipts submitted with the required quarterly expense reports must match the quarter that the services are provided. (See chapter 7 for detailed information on completing expense reports.)
- Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Any services, resources, and/or equipment purchased using IEA funds must only be used by the participating student whose IEA paid for said services, resources, and/or equipment.

## **IEA Debit Card**

To participate in the IEA Program, account holders must give permission to the issuer of the debit card (Conduent) to share with the department any and all information regarding any transactions made with the card. This completed and signed permission form must be received by the department by the deadline set by the department and before the IEA debit card is issued to account holders.

### **Resource:**

Debit Card Customer Service: For card balance, transaction history, and more, use the Way2Go Card mobile app, [GoProgram.com](https://www.go-program.com), or call 1-855-462-5889 (accessible 24 hours a day).

Account holders with multiple students participating in the IEA Program will receive a debit card for each participating student. If an account holder has multiple students enrolled in the IEA Program, the department will inform the account holder of the debit card numbers that are assigned to each student. Debit cards are issued regardless of ABLE-TN participation (see chapter 5).

The funds on the debit card may only be used for the participating student for whom the card number is assigned. If funds from one student's IEA debit card are used to pay for another student's educational expenses, those funds will be considered misspent.

To prevent misuse of funds, account holders are encouraged to put a small sticker on the debit card to identify that the debit card is for the IEA Program only and, in cases in which the account holder has multiple students enrolled in the IEA Program, to distinguish which card is assigned to each student.

### **Reminder:**

Only the account holder is authorized to use the IEA debit card. If anyone other than the account holder uses the card, it is a violation of the *IEA Account Holder Contract*, and any expenses on the debit card that are used by anyone other than the account holder will be considered misspent and will be considered fraudulent use of funds.

## Receiving the IEA Debit Card

New account holders will receive an assigned IEA debit card after the signed contract date listed on the *IEA Account Holder Contract*. No funds will be available on this card until after the first disbursement is processed.

The IEA debit card will be mailed to the account holder's mailing address on file with the department, as submitted on the IEA student application. If the account holder's address has changed after submitting the IEA student application, the account holder must submit an [IEA Account Holder Update Form](#) to the department **and** must notify the IEA team at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov) in order to receive the IEA debit card. (See chapter 2 for information on updating contact information.)

### Resource:

The IEA debit cards are mailed to account holders by Conduent, not the department. If the debit card is lost or destroyed, the account holder must contact Conduent's customer service line to request a new debit card.

To contact Conduent, please call **1-855-462-5889**.

*Please Note:* The IEA team is unable to request a replacement card or change the listed address on file with the bank. The account holder must contact Conduent directly. If a debit card is not received within **30 days** of signing the IEA Account Holder Contract or requesting a new debit card, the **account holder should contact Conduent for assistance**.

## Activating the IEA Debit Card

Upon receipt of the IEA debit card, the account holder must follow the instructions included with the debit card to activate the card. Cards may be activated when received, before any IEA funds are disbursed. **Any issues or assistance needed with activating the card should be directed to Conduent.** There are currently no Conduent or department fees associated with the use of an IEA debit card. However, merchants and/or organizations may charge a fee to process transactions using the IEA debit card.

## IEA Debit Card Restrictions

IEA debit cards have certain restrictions to ensure that IEA funds are spent in accordance with state law including:

- **No cash withdrawals, cash advances, or cashier's checks may be issued with the IEA debit card. Any attempted cash withdrawal will result in an immediate suspension of the IEA account and is grounds for removal of the student from the IEA Program.**
- Debit cards may only be used to make purchases from merchants who provide services or sell products that are IEA-approved educational expenses (see chapter 5). IEA debit cards have restricted Merchant Category Codes (MCCs). MCCs are four-digit numbers assigned to a business by credit card companies when a business is set up to accept credit cards as a form of payment.

### Resource:

If the debit card is declined, please contact **Conduent, 1-855-462-5889**.

If Conduent states that the card is declined due to a Merchant Category Code (MCC) restriction, please contact the IEA team at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov).

## IEA Debit Card Refunds

Account holders may not accept any payment, refund, or rebate of IEA funds from a provider of any goods or services for the IEA Program. Account holders must report refunds of prepaid tuition, fees, items, and/or services to the department **within fifteen (15) calendar days** of the date of the return.

All refunds from a participating school/provider must be sent directly to the department for credit to the student's IEA account. Refunds must be received by the department **within fifteen (15) calendar days** of the service being canceled, the item being returned, or the student's withdrawal from the school.

All refunds should be placed back on the IEA debit card by the vendor. If the provider is unable to refund the funds directly back to the IEA debit card, the provider must mail the department a certified check or money order matching the amount of the refund.

Checks or money orders should be made payable to the *Tennessee Department of Education*. With the check or money order, the provider must include a letter with the student's name, account holder's name, and the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education  
Division of Choice  
Individualized Education Account Program  
710 James Robertson Parkway, 10<sup>th</sup> floor  
Andrew Johnson Tower  
Nashville, TN 37243

## Receipt of IEA Funding Disbursements

IEA funding is disbursed, via the IEA (Way2Go) debit card, in quarterly payments throughout the IEA contract year. The projected dates for the 2023-24 IEA funding disbursements are listed below, in chapter 7 of this handbook, and are also posted on the [IEA webpage](#).

Quarter	IEA Funds Disbursement (projected dates)
1	Sept. 15
2	Nov. 15
3	Feb. 15
4	May 15

Account holders may sign up for automatic notifications of deposits at [www.GoProgram.com](http://www.GoProgram.com) by following the instructions included with the debit card. Quarterly IEA expense reports are due on Oct. 1, Jan. 1, April 1, and June 30 each year. Regular reminders will be sent to the account holders. **IEA account holders who submit expense reports more than seven business days late, may be required to wait until the next disbursement date for payment. After ten days, any expenses not listed on the expense report will be considered misspent.** If the department determines that IEA funds are misspent due to failure to timely submit quarterly expense reports and/or other misuse of IEA funds, future IEA disbursements will be

reduced by the amount of the misspent funds or current IEA funds will be withheld. Any questions may be directed to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov).

## ***IEA Funds – 50% Spending Requirement***

Account Holders are not required to spend the entire IEA sum each year; however, at least fifty percent (50%) of the amount of annual funding disbursed into the IEA account must be spent on approved expenses by the deadline for submission of the last expense report of each contract year. [SBE Rule 0520-01-11-.04\(6\)](#).

### **For Example:**

If the total amount of the IEA award for the school year is \$8,000, with four disbursements of \$2,000 each quarter, the account holder must have spent at least \$4,000 (50% of total) on approved IEA expenses by the submission deadline for the final expense report of the contractual year.

**If overall spending does not equal or exceed 50% of the total annual award by the deadline for the final expense report, and if the IEA is renewed for the following year, the department will subtract the amount from the first IEA disbursement (and further disbursements, if needed) in the following contract year.**

### **For Example:**

Following the example above, if the account holder spends \$3,900 of the total IEA award amount of \$8,000 for the school year, this amount is not equal to or greater than 50% (\$4,000); therefore, the department would subtract \$100 from the first IEA payment for the next contractual school year in order to meet the 50% statutory requirement.

**A portion of the IEA funds not spent in the school year will roll over.** Any IEA funds (of the 50% allowable carry-over) which are not spent during the school year will remain in the student's IEA debit card account, and account holders may use those funds on qualified expenses in subsequent school years as long as the student remains in the IEA Program.

### **Reminder:**

The amount of funds spent from the account on approved IEA expenses must be greater than or equal to 50% of the total annual award by the deadline established by the department for the submission of the final expense report.

Note: If an account holder chooses to open either an ABLE-TN or Coverdell account in order to meet the statutory 50% spending requirement for the contract year, requests to receive funds to deposit in these accounts must be submitted to the department no later than 30 days prior to submission of the final expense report of the contract year in order to allow time for the account holder to receive and deposit the funds and then provide proof of deposit submitted with the final expense report (see chapter 5 for more information).

## ***Misspent IEA Funds***

To ensure the integrity of the IEA Program, the department will closely monitor the use of all IEA funds to confirm the funds are only spent on approved expenditures (which includes receiving pre-approval before using the IEA funds to pay for services/items, if applicable, as explained in chapters 5 and 6).

**The department has a zero-tolerance policy for misuse of IEA funding** and will take the following actions if a determination has been made that an account holder has misspent IEA funds:

- The department will notify the account holder, via email, that a determination has been made that IEA funds were misspent. The notice will include the amount of funds that have been determined as misspent, along with appeal information.
- If the account holder believes the funds were properly spent, the account holder will have 14 calendar days from the date of receipt of the notice of misspent funds to submit an appeal following the procedures outlined in chapter 2 of this handbook.
- The department reserves the right to withdraw funds, if funds exist, directly from the IEA debit card account to cover the amount of the misspent funds determination **or** to withhold the amount of any determined misspent funds from the student's next IEA disbursement. If the student is not participating in the IEA Program as of the date of the next disbursement, the account holder must repay the funds directly to the state following the repayment procedures outlined in this chapter of this handbook. Pursuant to Section 7 of the IEA Account Holder Contract, any repayments of misspent IEA funds that are not received by the department in a timely manner may be referred to the Tennessee Attorney General's Office for recoupment.
- The IEA debit card account may be frozen (suspended) until all the misspent funds are repaid, and/or the student may be removed permanently from the IEA Program.

The next IEA payment will not be disbursed into the account until the misspent funds are repaid in full. Repaying misspent funds will not remove the misspent funds status from record. Once funds are misspent (including failure to report expenses within department deadlines), the student's IEA record will reflect that funds were misused. **If an account holder is determined to have misspent IEA funds more than twice in a contract year, the student may be removed from the IEA Program.**

If the account holder uses IEA funds to pay for non-approved expenses, the account holder should notify the department by emailing [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov) and should also self-report this in the "disallowed expenses" section on the expense report for that reporting period. Misspent fund amounts will be pulled from the IEA or withheld from the next disbursement. Account holders cannot use personal funds to repay misspent funds as long as the student remains in the IEA Program.

The department may refer cases of substantial misuse of monies to the Tennessee Attorney General's Office or the State Comptroller's Office for investigation if the department obtains evidence of fraudulent use of IEA funds.

## **IEA Suspension**

If the department makes a determination of misspent funds and freezes (suspends) the account, the account holder may appeal this determination through the appeal process outlined in chapter 2 of this handbook. If

the account holder's appeal is approved **and if the account holder has resolved the infraction(s), as determined by the department**, the IEA suspension will be lifted. However, to reinstate a suspended account, the account holder may be required to contact Conduent directly to request that a new debit card be issued. This process could take up to three weeks and may result in a delay or denial of the next IEA funds disbursement.

### Reminder:

- In accordance with the state rules and procedures for the IEA Program, the department has the authority to freeze (suspend) funds in the debit card account, withdraw existing funds from the account, withhold funds from future disbursements, and/or close the account and permanently remove any participating student from eligibility for an IEA if the Account Holder fails to comply with the terms of the IEA agreement or applicable laws, rules or procedures, or misuses IEA funds.
- The account holder may appeal the department's decision regarding misspent funds following the appeal procedures outlined in chapter 2 of this handbook.

### Repayment of Misspent Funds

If the student has exited or been removed from the IEA Program and the department sends a notice that the account holder must repay misspent funds, the account holder must mail the department a certified check or money order matching the amount of the misspent funds determination.

Checks or money orders should be made payable to the *Tennessee Department of Education*.

With the check or money order, the account holder must include a letter with the student's name, account holder's name, and the reason the funds are being returned to the state.

Mail the check and letter to:

Tennessee Department of Education  
Division of Choice  
Individualized Education Account (IEA) Program  
710 James Robertson Parkway, 10<sup>th</sup> floor  
Andrew Johnson Tower  
Nashville, TN 37243

# Chapter 5: Approved Use of IEA Funds

The IEA Act lists thirteen (13) expense categories for the approved use of IEA funds. All expenses must be for the sole educational benefit of the student enrolled in the IEA Program. The purchase date and/or date of service must be during the *IEA Account Holder Contract* period (July 1–June 30) for the 2023-24 participating year. The IEA Program is direct payment only. **The IEA Program will not reimburse account holders for any personal funds spent.** The following table includes a description of approved IEA Program expenses.

Approved Expense Category	Expense Qualifications	Requires Pre-Approval
<b>Tuition, Fees, and Required Textbooks at a Participating Private School</b>	The nonpublic school must be listed on the department’s approved list of IEA participating schools for the participating school year under “Resources” on the <a href="#">IEA webpage</a> (Not all fees are an approved use of funds; see the section below for a list of allowed fees.)	<b>No</b>
<b>Tutoring Services</b>	Tutoring services are supplementary instruction in an academic subject area provided to support/enhance the primary instruction that a student receives in a lesson, course, and/or class. Tutoring services are not the primary instruction; <b>lessons and classes do not count as tutoring services.</b> All services must be provided by an accredited individual or organization which meets the qualifications outlined in chapter 6 of this handbook. Tutoring services must be provided in the approved subject areas listed in chapter 6.	<b>Yes (Form)</b>
<b>Educational Therapies</b>	“Educational therapies” are defined as individualized services designed to develop or improve academic performance through instructional and therapeutic techniques. The therapy must be for the <i>educational benefit</i> of the participating student and provided by a therapist who meets the licensure requirements listed in chapter 6 of this handbook.	<b>Yes (Form)</b>
<b>Curriculum</b>	“Curriculum” is defined as instructional educational materials for a particular content area or grade level, including any supplemental materials required by the curriculum.	<b>No</b>
<b>Computer Hardware or Technological Devices</b>	IEA funds may be used to purchase computer hardware or technological devices pre-approved by the department or a licensed treating physician if the computer hardware is used for the student's educational needs and is a required device for communication or physical access to instruction due to the adverse impact of the disability for which the student qualifies to receive an IEA or allows a student to access instruction or instructional content. IEA funds may not be used to purchase any software at any time. Please note: If the software is part of an approved expense (i.e., a bundled package), it may be allowable as long as it is not an additional incurred expense.	<b>Yes (Form)</b>

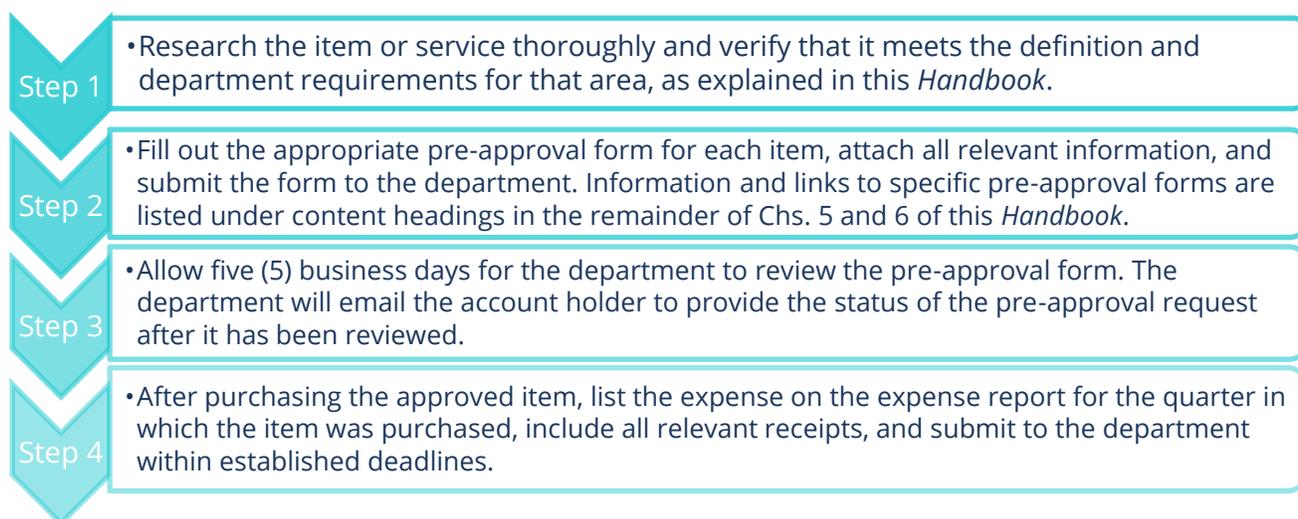
Approved Expense Category	Expense Qualifications	Requires Pre-Approval
<b>Test Fees</b>	Includes nationally standardized norm-referenced achievement tests, Advanced Placement tests, or any examinations related to post-secondary college or university admission.	<b>No</b>
<b>Tuition/Fees for Online Learning Program/ Courses</b>	Individual courses provided by a virtual education program or other online learning programs. IEA funds may be used to pay for tuition and/or fees for <b>part-time enrollment</b> in online learning programs. IEA funds cannot be used to pay for a student's full-time enrollment in an online learning program unless the school providing the program is a nonpublic school approved to participate in the IEA Program.	<b>Yes</b> <a href="#">(Form)</a>
<b>Public School Services</b>	Services provided under a contract with a public school, including individual classes and extracurricular programs.	<b>No</b>
<b>Tuition, Fees, and Required Textbooks at Post-secondary Institutions</b>	Must be used for the sole benefit of the participating student at a Tennessee community college, College of Applied Technology, university included in the University of Tennessee system, locally governed state university within the Tennessee Board of Regents system, or an accredited private post-secondary institution.	<b>No</b>
<b>Transportation</b>	Defined as fees for transportation paid to a fee-for-service (i.e., commercial) transportation provider or to a participating school. Transportation fees may only be used for transportation to/from schools and educational providers (including tutors and therapists).	<b>No</b>
<b>ABLE TN Account Contributions</b>	Achieving a Better Life Experience – Tennessee (ABLE TN) is a savings program designed to help individuals with disabilities put aside money to pay for future qualified expenses. These accounts provide the opportunity to save and invest with tax-free earnings to help participants maintain independence and quality of life.	<b>Yes</b> <a href="#">(ABLE Form)</a>
<b>Coverdell-530 Education Savings Account Contributions</b>	A Coverdell-530 education savings account is a tax-deferred trust that assists families of individuals with disabilities for future educational expenses. It is authorized by 26 United States Code §530, for the benefit of a participating student.	<b>Yes</b> <a href="#">(Coverdell Form)</a>
<b>Debit Card Fees</b>	Fees related to using the IEA debit card by merchants. There are currently no department fees for use of the IEA debit card.	<b>No</b>

### Reminder:

In accordance with the state rules and procedures for the IEA Program and this handbook, the department has the authority to freeze (suspend) funds in the debit card account, close the account, and/or withdraw funds from the account, for reasons including, but not limited to misuse of IEA funds, failure to receive required pre-approval for certain purchases, or fraudulent use of IEA funds.

## **Required Pre-Approvals: Basic Instructions**

Please review the remainder of this chapter for more information on each approvable expense along with detailed instructions for acquiring items that require department approval prior to purchase. Most pre-approvals expire in one calendar year from the date of approval. However, pre-approvals for tutoring and/or therapy do not extend beyond the IEA contract period for that school year, or the expiration date listed on the pre-approval form, whichever comes first. The following chart outlines the basic steps for the pre-approval process:



## **Tuition, Fees, and/or Textbooks Required at a Participating Nonpublic School**

Account holders may use IEA funds to pay for tuition, fees, and/or required textbooks at an IEA participating school that is approved by the department. A complete list of the approved [IEA Participating Schools](#) may be reviewed under “Resources” on the [IEA webpage](#). In addition, for more information on the approval process for participating schools, including rights and responsibilities, the [IEA Nonpublic School Handbook](#) may also be found on the IEA webpage. Please note the following:

- Participating schools are not required to admit students enrolled in the IEA Program, and students must meet all requirements for admission set by the school.
- Participating schools set their admission policies and tuition/fees. Participating schools may charge tuition/fees above the amount of the IEA award.
- Account holders may only prepay for tuition and/or services at a participating school for services rendered during the IEA contract period for that school year.
- IEA funds **cannot** be used to pay for tuition or fees for home-school umbrella programs/schools *unless* the program/school is listed as an approved IEA participating school on the IEA webpage.
- IEA funds **cannot** be used to pay for a student’s **full-time** enrollment in an online learning program/course unless the school providing the program/course is listed as an approved IEA participating school on the IEA webpage (see the section below for restrictions for online courses).

## Tuition – Participating Nonpublic School

IEA funds may only be used to pay for tuition at an IEA participating school that is directly providing instruction to a student enrolled in the IEA Program. Along with the required expense report, account holders must submit a **complete, detailed invoice** (i.e., receipt) from the participating school. The tuition may be itemized or grouped on the receipts submitted with the report, depending on how the participating nonpublic school submits receipts to account holders. The receipt must include all the components listed in chapter 7 and must specify “tuition” on the receipt. If a complete, paid receipt is not submitted with the expense report, the funds will be considered misspent.

## Allowed Fees – Participating Nonpublic Schools

While tuition may be straightforward, fees are not. Many schools charge fees in areas that are not approved by the IEA Program. As a result, **all fees for which IEA funds are used to pay must be itemized** on the individual receipts and submitted with the corresponding expense report.

The following is a list of approved fees that may be charged by a participating nonpublic school for which IEA funds may be used:

- registration fees;
- application fees;
- facility fees;
- textbook fees (see the *Required Textbooks* section below);
- lab fees (science labs, math labs, etc.);
- computer lab fees;
- transportation fee (*if* this fee is for services of transportation to/from schools and educational providers, including tutors and therapists, but extracurricular activities such as field trips and sports events are not included);
- supply fee (*if* this fee does not include consumable items such as pens, paper, markers, art supplies, construction paper, pencils, folders, backpacks, etc.); *and*
- approved test fees (*if* an account holder requests that the school administer a norm referenced or TCAP test(s) to a student enrolled in the IEA Program, the school may include the cost to administer the test in the school fees charged to the account holder).

## Disallowed Fees – Participating Nonpublic Schools

- IEA funds may not be used to pay fees for athletics or extracurricular activities unless the activity is required for enrollment in the participating school;
- IEA funds may not be used to pay supply fees which include consumable items or materials; and
- IEA funds may not be used to pay for fees associated with before- and after-school care, field trips, or clothing items.

## Required Textbooks – Participating Nonpublic Schools

If a participating school requires account holders to purchase textbooks for the student from a retail source, account holders must submit the [Participating Schools Required Textbooks Affidavit Form](#) to the department before submitting the expense report. Purchases of required textbooks, including e-textbooks, from a retail source must be reported on an [IEA Expense Report](#), and an itemized receipt must be submitted with the

expense report. (Please see chapter 7 for detailed instructions for filling out expense reports.) Account holders are not required to submit a Textbooks Affidavit Form if the school is providing the textbooks and charging the account holder a textbook fee.

**Tutoring and Educational Therapy Services**

For detailed information regarding use of IEA funds to pay for tutoring or educational therapy services for a student in the IEA Program, as well as instructions on submitting pre-approval requests for tutoring and therapy services, please see chapter 6 of this handbook.

**Curriculum**

Curriculum is defined as instructional educational materials for an academic course of study for a particular content area or grade level, including any supplemental materials required by the curriculum. Approvable academic courses of study include the following:

- computer technology (including computer applications, computer literacy, computer programming, interactive multimedia design);
- English language arts (including reading);
- health education;
- mathematics (including algebra I, algebra II, geometry, calculus, trigonometry, pre-calculus, statistics);
- personal finance;
- science (including biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, ecology);
- social studies (including economics, psychology, sociology, U.S. history, world history, geography, ancient history, African American history, U.S. government, civics);
- world language; and
- fine arts theory.

The department does not hold a list of approved curricula and cannot endorse any particular curriculum; it is the role of the account holder to make curricular decisions based on the individual needs of the student. Pre-approvals are not required for the purchase of curricula with IEA funds unless the curriculum is purchased for an online learning program or course.

Account holders may only use IEA funds to purchase curricula for the sole benefit of the student who is enrolled in the IEA Program. **Account holders may also use IEA funding to purchase supplemental materials only if the supplemental material is required by the curriculum.** Account holders will be required to provide evidence (submitted with the expense report for the quarter in which the item was purchased) that the supplemental material is required by the curriculum.

Examples of Allowable Supplemental Materials (when required by the curriculum)	Disallowed Expenses
Science experiment kits	Toys
Workbooks and teacher edition	Art supplies
Educational maps	Dolls
Flashcards	Workshops
Math manipulatives	Musical instruments

If the curriculum is an expense associated with an **online learning program** or course, the curriculum purchase must have prior approval, as explained in chapter 5 of this handbook.

**Reminder:**

Computer hardware and technological devices (i.e., electronics) are **not** considered supplemental materials. Account Holders must submit a *Computer Hardware and Technological Device Pre-Approval Request Form* and receive pre-approval **before** purchasing any electronic device.

**Reselling Curriculum**

It is unlawful for an account holder, or a third party, to financially benefit from the sale of any product purchased using funds distributed by the IEA Program. All IEA funds are solely approved for the educational use and benefit of a student enrolled in the IEA Program. Resale of items purchased with IEA funds is considered a violation of the *IEA Account Holder Contract* and as such may be referred to the Tennessee Attorney General’s Office for investigation and/or the student’s removal from the IEA Program.

Account Holders may, after a two-year period, donate used books and materials purchased with IEA funds to a 501(c)(3), public or nonpublic school, religious organization, or an individual family who is not enrolled in the IEA Program.

**Computer Hardware and Other Technological Devices**

Account holders may use IEA funds to purchase computer hardware or technological devices approved by the department or a licensed treating physician if the computer hardware is used for the student's educational needs. According to State Board of Education Rule 0520-01-11-.06(1)(n), computer hardware or other technological devices must meet one of the following criteria:

- the technology is a required device for communication or physical access to instruction due to the adverse impact of the disability for which the student qualifies to receive an IEA; and/or
- the technology allows a student to access instruction or instructional content.

All electronic devices are computer hardware/technological devices and account holders must receive pre-approval from the department before purchasing those devices. Examples of computer hardware/technological devices that require pre-approval are as follows:

Laptop	Computer	Tabletop printer	Electronic pencil/pen (e.g., Apple Pencil)
Headphones	Speakers	DVD player	iPad/tablet device
Hearing aides	Personal laminator	Microscope	Telescope

**Note:** This is not a comprehensive list. One way to determine if something could be computer hardware or a technological device is to consider if the item requires power to operate (e.g., “Does it have batteries? Does it plug into an outlet or device? Does it need to be charged?”).

**Computer Hardware/Technological Device Restrictions**

- Account holders may **not** use IEA funds to purchase internet services or **any** type of software. Please note: If the software is part of an approved expense (i.e., a bundled package), it may be allowable as long as it is *not* an additional incurred expense.

- If IEA funds were used to purchase computer hardware or a technological device, account holders may not purchase the same or similar item *with IEA funds* until two calendar years have passed since the date the item was purchased. For example, if the account holder purchased a laptop with IEA funds in the 2021-22 school year, the account holder will not be able to use IEA funds to purchase another laptop until the 2023-24 school year. The department reserves the right to make exceptions to this procedure for reasons including, but not limited to, if the account holder provides sufficient documentation to prove that the original item purchased was stolen or was damaged to the point it could not be used.
- If an account holder provides the aforementioned documentation with a request for a replacement of a technological device within the two-year period, the department will review the request and may make a determination of replacement value based on an established depreciation model.

### **Instructions for Pre-Approval Requests for Computer Hardware and Technological Devices**

Before purchasing computer hardware or a technological device with IEA funds, account holders **must receive pre-approval** from the department. To request pre-approval, account holders must submit a [Computer Hardware and Technological Device Pre-Approval Request Form](#) to the department which includes the following details:

- name of the computer hardware or technological device;
- an explanation of the educational purpose the computer hardware or technological device will serve for the participating student; **and**
- a link to the specific item webpage that provides a description of the requested computer hardware or technological device. The webpage must describe the computer hardware or technological device and must meet the definition of computer hardware or technological device as explained in chapter 5 of this handbook. Also, the name of the computer hardware or technological device on the webpage must match the name of the hardware or device that is listed on the pre-approval form.
- If the computer hardware or technological device has been recommended for the student by a licensed, treating physician, the account holder may include that information when submitting the pre-approval request form to the department.

### **Test Fees**

To meet the statutory assessment requirement for a student in the IEA Program, as outlined in [T.C.A. § 49-10-1403\(e\)](#) and chapter 3 of this handbook, an account holder may use IEA funds to pay for fees associated with the student's participation in **either** a nationally norm-referenced test(s) approved by the department **or** the TCAP test(s) in mathematics and English language arts (ELA).

Account holders may also use IEA funds to pay for Advanced Placement tests and/or the following college placement and achievement tests:

- American College Test (ACT)
- Stanford Achievement Test (SAT)
- Preliminary SAT (PSAT)

Test fees must be reported on an IEA Expense Report for the quarter in which the test was paid, and an itemized receipt must be submitted with the report to qualify as an approved expense.

Psychoeducational assessments do not meet the definition of approved testing fees. However, if a therapist who has been pre-approved by the department provides a psychoeducational assessment, the assessment fees **may be** considered an approved expense *as a part of the educational therapy*.

### Reminder:

Account holders must submit a request for and receive pre-approval for any educational therapy, including any assessments required by an approved therapist. Please see chapter 6 of this Handbook for more information.

## ***Tuition/Fees for Online Learning Program/Courses***

IEA funds may be used to pay for tuition and/or fees for a participating student's **part-time enrollment** in department-approved online learning programs and/or courses. This applies to individual courses students may participate in which are offered by an online learning program. IEA funds may *not* be used to pay for a student's **full-time enrollment** in an online learning program/course, unless the school providing the program/course is included on the list of approved *IEA Participating Schools* as posted under "Resources" on the [IEA webpage](#). Part-time enrollment is defined as no more than 225 minutes per day.

Account holders must submit an [Online Learning Program/Course Pre-Approval Request Form](#) to the department and receive approval from the department *before* using IEA funds to pay for any online learning programs/courses. The request for pre-approval must include the following information:

- name of the online learning program/course;
- organization/school/vendor providing the online learning program/course;
- author/publisher; and
- direct web link to a specific webpage that provides a description of the online learning program/course. (The name of the online learning program/course on the webpage must match what is listed on the required pre-approval form.)

### Reminder:

Online learning programs/courses must meet the definition of online learning programs/courses as listed in this handbook. Pre-approval requests must include all required information in order to be processed and approved.

Please note the following regarding Online Learning Programs/Courses:

- Curriculum materials purchased for use in an online learning program or course must follow the curriculum guidelines outlined above in this handbook.
- IEA funds cannot be used to pay for tuition and fees for home-school umbrella programs/schools unless the program/school is listed as an approved IEA participating school on the IEA webpage.
- IEA funds cannot be used to pay for visual or performing arts classes or lessons, online or in-person, (e.g., music lessons, dance classes, drama camp, etc.) or supplies/equipment for those activities (e.g., musical instruments, theater props, art supplies, etc.).
- IEA funds cannot be used to pay for online learning program family memberships.
- Online learning program subscriptions must be in the name of the account holder or the student

enrolled in the IEA Program. IEA funds can be used to pay for online program memberships up to one year so long as the membership is for the student's part-time enrollment and the membership period is during the IEA contract period. If using IEA funds to subscribe to a family online learning membership for multiple students enrolled in the IEA Program, the payments must be split between the participating students and listed correctly on the expense report.

### **For Example:**

If the purchase of a family membership for ABC Online Program is \$60 for three students to use, but only one of the students is enrolled in the IEA Program, only \$20 would be approved for use of IEA funds. On the IEA expense report for that quarter, the account holder would need to list the \$20, attach the receipt, and then explain in the open comments section that the payment was split (see chapter 7 for more information on expense reporting).

## ***Public School Services***

Account holders may use IEA funds to pay for services, courses, or programs provided through a contractual agreement between the account holder and an LEA. The LEA is not required to provide such services and has the right to refuse service. IEA funds may be used to pay tuition and fees required by the public school district to participate in extracurricular activities but cannot be used to purchase commodities (such as uniforms, musical instruments, etc.). LEAs are authorized to charge tuition for students who attend classes but for whom the LEA is **not** receiving funding through the state's education funding formula, the Tennessee Investment in Student Achievement Act (TISA).

Prior to entering into any contractual service with an LEA, account holders should ensure that the LEA is willing to accept payment for any services via the account holder's IEA debit card. The account holder is responsible for ensuring that the LEA provides them with a complete paid invoice (i.e., dated receipt) for all services, including part-time tuition, if relevant. For more information on allowances and procedures for nonpublic students regarding participation in public school extracurricular activities and athletic programs, please visit [Education Choices in Tennessee](#) on the department's webpage.

### **Reminder:**

Enrolling a student in a public school (LEA) full time will result in termination from the IEA Program and a determination of misspent IEA funds that will require repayment for any IEA funds that were spent after the date of public school (re)enrollment.

## ***Tuition, Fees, and/or Required Textbooks at an Eligible Post-Secondary Institution***

IEA funds may be used to pay for tuition, fees, and/or required textbooks at an eligible post-secondary institution for a student who meets the following criteria:

1. A student enrolled in the IEA Program may use IEA funds to pay for qualifying expenses for **dual enrollment** courses at an eligible post-secondary institution while still enrolled in an IEA-participating nonpublic school (private or independent home school); **or**

2. A **postsecondary** student may use **saved** IEA funds for eligible postsecondary expenses if the student:

- was enrolled in the IEA Program during grade 12 and graduated from high school;
- had funds remaining in an IEA at the time of graduation from high school; **and**
- continued (renewed) participation in the IEA Program.

### Note:

IEA funds may only be used to pay for post-secondary tuition, fees, and/or required textbooks for a participating student during the IEA contractual term (July 1– June 30).

The IEA Program is direct payment only. The IEA Program cannot reimburse account holders for any personal funds used to pay for post-secondary expenses.

### Use of IEA Funds – Dual Enrollment

IEA students may be eligible to use IEA funds to pay for allowable dual enrollment expenses at an eligible post-secondary institution. Students in grades 11 and 12 also have an optional opportunity through the state's Dual Enrollment Grant Program, which is funded by the Tennessee Lottery and is administered by the Tennessee Student Assistance Corporation (TSAC). The Dual Enrollment Grant Program provides opportunities for eligible students to begin working toward a college degree, while still pursuing a high school diploma.

For an IEA student using IEA funds to participate in a dual enrollment program, ALL student records on file with the department, the student's residence LEA, the student's nonpublic school (private or independent home school), and any post-secondary institution in which the student is dually enrolled must reflect that the student is in high school, and NOT a student who has *graduated* from high school and is solely enrolled in a post-secondary institution for higher education coursework.

The department may request additional documentation for a student participating in a dual enrollment program, including, but not limited to:

- a letter from the post-secondary institution indicating proof of the student's dual enrollment status;
- a letter from the student's home school coordinator in the LEA in which the student resides that lists the student's grade level and proof of dual-enrollment status; and/or
- a letter from the student's private school that lists the student's grade level and proof of dual enrollment status.

### Resource:

For more information or to apply to the Tennessee Dual Enrollment Grant Program, please visit:

- <https://www.tn.gov/collegepays/money-for-college/tn-education-lottery-programs/dual-enrollment-grant.html>

### Use of IEA Funds – Post-secondary Higher Education

Account holders may choose to save up to fifty percent (50%) of the annual IEA award every contract year for eligible postsecondary higher education expenses until the participating student graduates from high school

[including passing the Graduation Equivalency Development test (GED) or High School Equivalency Test (HiSET) or exits the IEA Program (see chapter 8)]. Upon a participating student's graduation from high school, if funds remain in the IEA, and if the student chooses to enroll in an eligible post-secondary institution, the student may use the saved funds in the IEA to pay for tuition, fees, and/or required textbooks at an eligible post-secondary institution. Students participating in the IEA Program who are enrolled full time in post-secondary programs after graduating from high school will not receive additional IEA payments.

For a student who has graduated from high school to continue in the IEA Program and to use funds remaining in the IEA for post-secondary educational expenses for the next school year, the account holder must submit an *IEA Renewal Student Application* indicating that the student will be enrolling in post-secondary coursework. The account holder must also sign and submit the *IEA Account Holder Contract for Post-Secondary Students*, including all supporting documentation (e.g., the *Account Holder Assurances Form* and *FERPA Waiver*).

**Completed renewal applications and contracts must be received by the department by the deadlines posted on the IEA webpage.** If the renewal application and/or the completed contract is not received by the deadline established by the department, the student will not be reenrolled in the IEA Program for the following school year and will not have access to saved IEA funds.

### ***Account Holder Responsibilities***

If a student continues in the IEA Program as a post-secondary higher education student, the account holder must comply with all the responsibilities described in this *handbook* and must follow all laws, rules, and procedures regarding the use of IEA funds. The account holder is still required to submit expense reports every quarter of the contractual year for all IEA expenses, just as has been done in any years prior, following the same procedures in chapters 5, 6, and 7 for use of IEA funds for approved expenses.

Any remaining funds in the IEA will be immediately returned to the state treasurer as soon as a post-secondary student exits the IEA Program for the following reasons (whichever occurs first):

- if the student graduates from a post-secondary institution,
- if a period of four consecutive years passes after a student enrolls in a post-secondary institution, or
- after any period of four consecutive years after high school graduation in which the student is not enrolled in an eligible post-secondary institution.

### **Tuition/Fees at an Eligible Post-secondary Institution**

While tuition may be straightforward, fees are not. Many post-secondary institutions charge fees in areas that are not approved by the IEA Program. As a result, all fees for which IEA funds are used must be itemized on the individual receipts and submitted with the corresponding expense report (see chapter 7 for detailed information on filling out expense reports). IEA funds cannot be used to pay for room and board fees or meal plans.

### **Required Textbooks for an Eligible Post-secondary Institution**

Most post-secondary institutions require students to purchase specific textbooks for coursework. To use IEA funds to pay for textbooks, account holders must submit a [Post-secondary Institution Required Textbooks Affidavit Form](#). This form does not endorse any products, providers, services, etc. This form provides assurance that the textbooks listed are required by the post-secondary institutions. A *Post-secondary Institution Required Textbooks Affidavit Form* must be submitted to the department for *each* required textbook.

In addition, purchases of required textbooks must be reported on the IEA Expense Report, and an itemized receipt must be submitted with the expense report. However, *optional* textbooks for coursework should be reported under the curriculum section of the expense report. (See chapter 7 for detailed information on filling out expense reports.)

### List of Post-secondary Institutions Eligible for Use of IEA Funds

Account holders may only use IEA funds to pay for post-secondary tuition, fees, and/or required textbooks for a participating student for dual-enrollment or higher education coursework at the following post-secondary institutions:

- Tennessee public community colleges;
- colleges within the University of Tennessee system (or a locally governed state university within the Tennessee Board of Regents systems); or
- Tennessee Colleges of Applied Technology (TCAT).

Tuition, fees, and/or required textbooks for a participating student for dual-enrollment or higher education coursework may also be paid with IEA funds at a private post-secondary institution accredited by one of the following:

- any accreditation division of Cognia (formerly AdvancED)
  - the North Central Association Commission on Accreditation and School Improvement (NCA CASI)
  - the Northwest Accreditation Commission (NWAC), or
  - the Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI);
- Middle States Association of Colleges and Schools (MSA);
- New England Association of Schools and Colleges (NEASC);
- Western Association of Schools and Colleges (WASC); or
- Council on Occupational Education (COE).

#### Resource:

For a comprehensive list of post-secondary institutions in Tennessee, please visit the [Tennessee Higher Education Commission's](#) webpage.

### Transportation

Account holders may use IEA funds for transportation fees paid to a **commercial fee-for-service** transportation provider for services of transportation to/from schools and educational providers (including tutors and therapists) or for transportation fees paid to a participating school for the same reasons.

IEA funds **cannot** be used to pay for transportation expenses including, but not limited to, the following:

- transportation provided by the account holder, a family member, or friend;
- transportation provided by another non-commercial transportation provider;
- gas or carpooling services;
- automobile payments; or
- transportation to or from anywhere other than school or an educational provider.

## Tennessee Achieving a Better Life Experience (ABLE TN) Account Contributions

An account holder may use IEA funds to make contributions to an [ABLE TN savings account](#). Administered by the Tennessee Department of Treasury, ABLE TN is a savings program designed to help Tennessee residents with disabilities put aside money to pay for qualified expenses. An ABLE TN account must be opened in the name of the student who is enrolled in the IEA Program (i.e., the student must be the Designated Beneficiary on the ABLE account). Up to \$17,000 may be contributed to an ABLE account on behalf of each student enrolled in the IEA Program each year; contributions to ABLE accounts count toward the 50 percent of IEA funds that must be spent each year. The \$17,000 limit includes any personal funds that an account holder or any individual contributes to the ABLE TN account in the student's name. The IEA funds that are deposited into an ABLE account **may only be spent on the participating student's educational expenses**.

### Resource:

For more information on how IEA funds deposited into an ABLE TN savings account may be utilized, please visit [Tennessee Individualized Education Accounts \(IEA and ABLE TN\)](#).

For an account holder to make contributions to an ABLE TN account using IEA funds, the account holder must first complete the following steps:

- **Step 1:** Open an ABLE TN account following the instructions posted on [www.abletenn.com](http://www.abletenn.com). In order to use IEA funds for ABLE TN, an ABLE TN account must first be established. Account holders may register through the ABLE TN website. Account holders will be given an Account Number that will be needed to deposit IEA contributions. A deposit of \$25.00 of personal funds will be required to open an ABLE TN account.
- **Step 2:** Establish an ABLE IEA identification number. Once an ABLE TN account is opened, account holders fill out the ABLE TN "Establish IEA Identification" form to let ABLE TN know they will be contributing IEA funds to an ABLE TN account and for ABLE TN to establish the IEA Identification number on the ABLE TN account. The IEA portion will be assigned an identification number ending in -02. Upon creation of the ABLE TN Identification number, account holders will receive a secure e-mail from ABLE TN. The e-mail will contain the IEA Identification number and additional important information. It is important that this email is retained for future use and reference. All funds received from the IEA funds program must be deposited into the IEA portion of the ABLE TN account. To establish the IEA identification number, please complete this ABLE TN request [form](#).
- **Step 3:** Complete the Tennessee Department of Education's [ABLE TN Contribution Request for IEA Account Holders Form](#). **Please note: This is in addition to any forms or documentation that is required by ABLE TN for opening the ABLE TN account.** Once the completed *ABLE TN Contribution Request for IEA Account Holders Form* is received by the Tennessee Department of Education, the department will withdraw the amount of the contribution either from the IEA debit card account (if funds are available) or from the next IEA payment and then send a check for the amount of the contribution to the mailing address listed on the account holder's W-9 form. Contributions marked as "recurring" will be withdrawn

from each IEA payment disbursement and cannot exceed the amount of the IEA annual award for the contractual year.

The department will process the ABLE contribution request in a timely manner according to the IEA payment disbursement cycle established by the department. Please note the following:

- If the account holder has requested a recurring ABLE contribution or an ABLE contribution that must be withdrawn from a future IEA payment disbursement, the process of receiving the contribution check may take up to 60 calendar days from the date the notice that the department has processed the request form is received. If the check is not received within 60 calendar days, please contact the IEA team at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov).
- If the ABLE contribution amount must be withdrawn from the next IEA disbursement IEA debit card account, due to quarterly payment cycles, this process may take up to 90 calendar days from the date the account holder receives notice that the department has processed the request.

➤ **Step 4:** Receive the IEA ABLE contribution check from the department and deposit the funds into the IEA portion of the student's ABLE TN account. Once ABLE TN has set up the account to receive IEA funds, the account holder may begin contributing. Follow the steps below to contribute funds from the IEA Program to ABLE TN:

1. Complete the [IEA Contribution form](#), print, and sign the form.

2. Mail the form along with the check contribution to:

ABLE TN

P.O. Box 55599

Boston, MA 02205

- **NOTE:** IEA Program contributions cannot be accepted without the [IEA Contribution form](#). In order to ensure IEA funds are being used for educational expenses, IEA contributions cannot be deposited in the ABLE TN online account portal. When logging in to the ABLE TN online account portal, if an account holder notices that the IEA -02 portion of the account has closed, please submit a signed letter of instruction (LOI) to the ABLE TN program requesting to reopen the IEA portion of the account. The LOI may be sent as an e-mail attachment to the program at [ABLE.TN@tn.gov](mailto:ABLE.TN@tn.gov). Account holders may alternately include the LOI in the mail package when sending the check for the IEA contribution to ABLE TN. A third-party endorsement of the check received from the Tennessee Department of Education may be performed and that State of Tennessee check then mailed to ABLE TN. Alternatively, a personal check made payable to ABLE TN for the exact amount received from the Tennessee Department of Education may be sent. The mailing address and overnight address for ABLE TN are provided on the [ABLE TN IEA Contribution form](#).
- **Upon receipt of the check from the Tennessee Department of Education, the account holder must deposit the contribution check into the IEA portion of the ABLE account within 21 calendar days of the issuance date listed on the check that the department sends the**

**account holder. Any ABLÉ funds that are received and are not deposited into the ABLÉ account within the required timeframe will be considered misspent and may be the basis for removal from the IEA Program.**

- **Step 5:** Report (list) the ABLÉ TN contribution on the next [IEA Quarterly Expense Report](#), and upload a copy of the deposit transaction confirmation from the Tennessee Department of Treasury as the receipt. The receipt (ABLÉ financial transaction confirmation which shows student's name, ABLÉ IEA identification number, date of deposit, and deposit amount) must show that the funds have been deposited into the IEA portion of the ABLÉ TN account. ABLÉ contributions should only be reported after they have been deposited into the ABLÉ account. If the account holder cannot provide proof that the IEA ABLÉ contribution check was deposited within the IEA expense reporting period, prior to the expense report submission deadline, the funds must be reported on the *next* quarterly expense report. (See chapter 7 of this handbook for detailed information on submitting IEA expense reports.)

### Note:

Recurring ABLÉ TN contributions that are in the full amount of the IEA payment disbursement will end on June 30 of each contract period. Account holders are required to submit a [new ABLÉ TN contribution form](#) each contract year to reestablish recurring contributions for deposits of the full amount of IEA funds.

## Coverdell Education Savings Account Contributions

An account holder may use IEA funds to make contributions to a 530 Coverdell Education Savings Account (ESA). A 530 Coverdell Education Savings Account is a tax-deferred trust, authorized by Section 530 of the Internal Revenue Code (26 U.S.C § 530), that assists families of individuals with disabilities for future educational expenses.

**Up to \$2,000 may be contributed annually** to a 530 Coverdell account on behalf of each student enrolled in the IEA Program each year; the \$2,000 limit includes any personal funds that an account holder or any individual contributes to the 530 Coverdell account in the participating student's name. Contributions to a Coverdell account count toward the 50 percent of IEA funds that must be spent each year. The IEA funds that are deposited into a Coverdell account **may only be spent on the participating student's educational expenses**.

For an account holder to make contributions to a Coverdell account using IEA funds, the account holder must first complete the following steps:

- **Step 1:** Account holders should open a Coverdell account at a financial institution of their choosing. Guidelines are posted on <https://www.irs.gov/taxtopics/tc310/>.
- **Step 2:** Complete the department's [IEA Coverdell Contribution Request Form](#). The account holder must submit with this form documentation from the financial institution which lists that the 530 Coverdell ESA is opened in the IEA account holder's name and that the student enrolled in the IEA Program is listed as the beneficiary. **Please note: This is in addition to any forms or documentation required by the financial institution for opening the Coverdell account.** Once the completed *IEA Coverdell*

*Contribution Request Form* is received, the department will either withdraw the amount of the contribution from the IEA debit card account *or* withhold the amount from the next IEA payment and then send a check for the amount of the contribution to the mailing address listed on the account holder's W-9 form. Contributions marked as "recurring" will be withdrawn from each IEA payment disbursement and cannot exceed the amount of the IEA annual award for the contractual year.

The department will process the Coverdell contribution request in a timely manner according to the IEA payment disbursement cycle established by the department. Please note the following:

- If the account holder has requested a recurring Coverdell contribution or a Coverdell contribution that is to be withheld from future IEA payment disbursements, the process of receiving the contribution check may take up to 60 calendar days from the date notice is received that the department has processed the request form. If the check is not received within 60 calendar days, please contact the IEA team at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov); **or**
  - If the account holder has requested that the Coverdell contribution amount be withheld from the IEA debit card account, the process may take up to 90 calendar days from the date the account holder receives notice that the department has processed the request.
- **Step 3:** Receive the IEA Coverdell contribution check from the department and deposit the funds into the account holder's Coverdell education savings account at the chosen financial institution. **Upon receipt, the account holder must deposit the contribution check into the Coverdell account within 21 calendar days of the issuance date listed on the check that the department sends to the account holder. Any Coverdell funds that are received and are not deposited into the Coverdell account within the required timeframe will be considered misspent and may be the basis for removal from the IEA Program.**
- **Step 4:** Report (list) the Coverdell contribution on the next [IEA Quarterly Expense Report](#), and upload a copy of the deposit confirmation from the financial institution as the receipt. The confirmation must show that the funds have been deposited into the Coverdell account. Coverdell contributions should only be reported after they have been deposited into the Coverdell account. If the account holder has not received an outstanding IEA Coverdell contribution check within 10 business days of an expense report submission deadline, the funds must be reported on the *next* quarterly expense report (see chapter 7 of this handbook for detailed information on submitting IEA expense reports).

### Note:

If an account holder chooses to open either an ABLE-TN or Coverdell account in order to meet the statutory 50% spending requirement for the contract year, requests to receive funds to deposit in these accounts must be submitted to the department no later than 30 days prior to submission of the final expense report of the contract year in order to allow time for the account holder to receive and deposit the funds and then provide proof of deposit submitted with the final expense report.

**Prior to any contribution request, please ensure that adequate funds remain on the IEA debit card to cover the amount of the request.**

## Resource:

For information on Coverdell accounts, please visit: <http://www.irs.gov/publications/p970/ch07.html>

## Disallowed IEA Expenses

Account holders are prohibited from using IEA funds for the following expenses: \*

- Furniture: (e.g., desks, workstations, teaching carts, storage cabinets, etc.)
- Consumables: (e.g., educational supplies such as paper, pencils, pens, markers, crayons, erasers, folders, glue, backpacks, etc., unless purchased as part of a complete curriculum set that has received prior approval from the department; magazine subscriptions, unless required as part of the educational curriculum of a nonpublic school; food or meal plans; etc.)
- Medical-related items and services: (e.g., medicines and/or supplements, medical services, acupuncture, nutritionists, etc.)
- Some experiences: (e.g., field trips, extracurricular fees, athletic fees, etc., unless required to attend a participating school and/or paid through a contract with a public school/district)
- Certain services: (e.g., tuition and fees for home-school umbrella programs/schools unless the program/school is listed as an approved IEA participating school; yoga; before- and after-school care; music, art, dance, physical fitness, and/or extra-curricular lessons or classes, unless part of tuition for a participating school or through a contract for public school services; lessons and classes, unless they are included in a student's enrollment in, and part of the tuition/fees charged by, a participating school; warranties, unless it is a computer hardware/technological device warranty that is a part of a computer hardware/technological device bundle that is pre-approved by the department; printing services; etc.)
- Add-on technology: (e.g., computer cloud services; Internet services; televisions; cable television service; software required for a new computer, such as an operating system or an Office suite, unless it is a part of a computer hardware/technological device bundle that is pre-approved by the department; etc.)
- Some equipment: (e.g., desktop binding machines, musical instruments, or other supplies and/or equipment for performing/visual arts, etc.)
- Animals/supplies: (e.g., farm animals or pets and/or supplies, etc.)
- Personal transportation: (e.g., mileage or car expenses, etc.)
- Expenses outside contract period: any expenses, including services, paid/provided for or billed outside of the IEA contract period (except for registration and application fees charged by the student's participating school, so long as the student was a participating student at the time the fees were paid, and the student's IEA is being renewed for the following school year)

\* **This is not an exhaustive list of all prohibited expenses**; the department will make individual determinations on whether an expense meets the definition of approved expenses according to [IEA Statute](#), [SBE Rule](#), and department procedures.

## ***Reselling Items Purchased with IEA Funds***

It is unlawful for an account holder or third party to financially benefit from the sale of any product purchased using funds distributed by the IEA Program. All IEA funds are solely approved for the use and educational benefit of the student enrolled in the IEA Program. Resale of items purchased with IEA funds is considered a violation of the contract and may be grounds for removal and referral to the Tennessee Attorney General's Office for investigation.

Account holders may, after a two-year period, donate used books and materials purchased with IEA funds to a 501(c)(3), public or nonpublic school, religious organization, or an individual family who is not enrolled in the IEA Program.

### **Reminder:**

In accordance with the state rules and procedures for the IEA Program and this handbook, the department has the authority to freeze funds in the debit card account, close the account, and/or withdraw funds from the account, for reasons including, but not limited to misuse of IEA funds, failure to request a required pre-approval for certain purchases, or fraudulent use of IEA funds.

# Chapter 6: Tutors and Therapy Providers

In many cases, account holders may choose to supplement their child's education by hiring tutors and therapists (i.e., service providers). Providers must meet the qualifications set by State Law ([T.C.A. § 49-10-14](#)), [SBE Rule](#), and procedures as described in this handbook. To use IEA funds to pay for educational therapy or tutoring services, IEA account holders **must request and receive pre-approval** from the department before the tutoring or therapy services are rendered. To receive pre-approval, the account holder must submit either the [Educational Therapies and Services Pre-approval & Agreement Form](#) or the [Tutoring Services Pre-approval & Agreement Form](#). For pre-approval, the department requires documentation of the provider's licensing credentials; while a provider may hold credentials and varying accreditations, the IEA Program will only accept those listed in this handbook (*see below*). Use of IEA funds must be for the sole benefit of the participating student for which the IEA account is established. Any services, resources, and/or equipment purchased using IEA funds is for the sole benefit of the participating student whose IEA paid for said services, resources, and/or equipment.

## Reminder:

The department does not directly endorse providers, nor does the department have a list of pre-approved providers. Account holders must request and receive prior approval from the department, following the instructions in this handbook, **prior to tutoring or therapy services being rendered**.

## ***Account Holder Responsibilities Regarding Tutoring and Therapy Services***

- The account holder is solely responsible for using IEA funds in accordance with the laws, rules, and procedures of the IEA Program. For educational therapy/tutoring services to be considered an approved use of IEA funds, the account holder must ensure that the chosen provider meets and adheres to all the requirements outlined in chapter 6 of this handbook.
- It is the responsibility of the account holder to thoroughly research individuals for which contracts are entered into for providing educational therapy/tutoring services for a student. The account holder must ensure receipt of a complete, itemized invoice from the provider. The invoice must then be submitted to the department in the IEA Quarterly Expense Report for the reporting period in which the services were rendered. For a full list of the requirements for expense reporting, see chapter 7 of this handbook.
- Before contracting for services, the account holder should verify that the chosen provider is able to accept and process payments for services using the IEA debit card.
- The account holder is responsible for any contract signed with a provider and for ensuring that the terms of the contract are fulfilled. The department cannot void a private contract, give legal advice, or arbitrate payment schedules.
- Account holders who choose to contract with a tutoring or therapy agency which employs more than one provider should make that agency aware that the pre-approval is specific to the one provider named in the pre-approval request. If another provider, even within the same agency, is to be used for services, IEA account holders must first request and receive pre-approval from the department

before the tutoring or therapy services are rendered by the different provider for IEA funds to be used for payment.

- The account holder is responsible for repayment to the department for all ineligible expenses and any eligible expenses spent in excess of the amount of the IEA award.
- Account holders may pre-pay for tutoring and/or therapy services for a participating student if the following conditions are met:
  - the department has approved the pre-approval request for that specific provider **and**
  - the tutoring and/or therapy dates of service do not extend beyond the IEA contract period for that school year, or the expiration date listed on the pre-approval form, whichever comes first.
- If an account holder pre-pays for educational tutoring and/or therapy services for a participating student, the account holder must report the pre-paid amount on the expense report for the quarter in which the IEA funds were spent and must include a receipt that details the dates of service.

### ***Disallowed Expenses Regarding Tutoring and/or Therapy Services\****

- **The hiring of family members as tutors or therapy providers is prohibited.** It is considered a misuse of IEA funds for a family member of a student, including a stepparent or member of an eligible student's household, to derive any financial benefit from the IEA Program.
- IEA funding **cannot be used to pay paraprofessionals** to provide therapy or tutoring services as paraprofessionals are unlicensed (i.e., they do not hold the required credentials outlined in this chapter).
- IEA funds cannot be used to pay for any costs associated with canceled, late, or missed appointments.
- **IEA funds cannot be used to pay for medical expenses.** Per state law and rules, therapies provided to students using IEA funds must be "educational therapies" which are designed to develop or improve academic performance through instructional and therapeutic techniques. All therapy services must be pre-approved by the department, and services must be rendered by an approved therapist, not a physician for which services could be billed through medical insurance.
- Psychoeducational assessments do not meet the definition of approved testing fees. However, if a therapist who has been pre-approved by the department provides a psychoeducational assessment, the assessment fees **may be** considered an approved expense as a part of the educational therapy. (See chapter 5 for details.)

**\* This is not an exhaustive list of disallowed expenses.** Use of IEA funds to pay for disallowed expenses would be considered "misspent funds" for which the account holder would be required to reimburse the department. In addition, a determination of misspent funds may result in suspension of the IEA and/or removal of the student from the IEA Program.

## ***Criminal Background Check Requirement***

All tutoring and/or therapy service providers must comply with the criminal background check requirements pursuant to SBE Rule 0520-01-11-.02(7). When submitting either the [Educational Therapies and Services Pre-approval & Agreement Form](#) or the [Tutoring Services Pre-approval & Agreement Form](#), an account holder must provide verification that the chosen provider has passed a criminal background check. Individuals who have been convicted of a felony, including conviction on a plea of guilty, a plea of *nolo contendere*, or order granting pre-trial diversion are not permitted to receive IEA funds for services rendered to students enrolled in the IEA Program.

### **What standards must the criminal background check meet?**

A criminal background check, at a minimum, must include checks of the Tennessee Sex Offender Registry and the Abuse Registry of the Tennessee Department of Health. All service providers and employers of service providers must maintain documentation that any person providing services to participating students has undergone a fingerprint-based criminal history and records check conducted by the Tennessee Bureau of Investigation (TBI) and forwarded by the TBI to the Federal Bureau of Investigation for processing pursuant to the National Child Protection Act.

To ensure that providers meet this requirement, account holders must complete all the following steps:

- **Step 1:** Account holders should request a copy of the provider's **license and accreditation** along with a copy of the provider's criminal background check to ensure compliance with the IEA rules. The copies should be legible, not expired, and issued by an accredited board. To comply with the **criminal background check requirements** of the IEA Program, the account holder must verify to the department that the provider has completed both of the following:
  1. A fingerprint background check through the [Tennessee Bureau of Investigation \(TBI\)](#).

The provider will need to have an Originating Agency Identifier (ORI) number issued by the TBI to request this background check. If the provider does not have an ORI number, the provider will need to request one following the instructions on the TBI website; **and**
  2. A fingerprint background check through the [Federal Bureau of Investigation \(FBI\)](#).
- **Step 2:** Once the provider has completed both the TBI and FBI fingerprint criminal background checks, the account holder must verify that the provider has never been convicted of a felony, including conviction on a plea of guilty, a plea of *nolo contendere*, or order granting pre-trial diversion. The account holder must search the following two registries and ensure that the provider does not appear on either:
  - [Tennessee Department of Health Abuse Registry](#); **and**
  - [Tennessee Bureau of Investigation Sex Offender Registry](#).

## Educational Therapy Services

### Definition:

“**Educational therapy**” is defined as individualized services designed to develop or improve academic performance through instructional and therapeutic techniques. All therapy services through the IEA Program must be “direct service,” meaning that they must be directly related to the education of the participating student.

### Therapist Licensure

To use IEA funds to pay for educational therapy for a participating student, the therapy service must be provided by a therapist who meets the requirements set by the State Board of Education and the department. The following shows the only approved therapist credentials accepted by the department:

Tennessee Department of Education teacher license endorsements:	Tennessee Department of Health licenses:	
		Medical doctors licensed under Title 63 Chapter 6
School audiologist Pre-K-12 (Tennessee license code 469)	Doctors of osteopathy licensed under Title 63 Chapter 9	Speech pathologists and audiologists licensed under Title 63 Chapter 17
School counselor Pre-K-12 (Tennessee license code 487)	Podiatrists licensed under Title 63 Chapter 3	Physicians’ assistants licensed under Title 63 Chapter 19
School psychologist Pre-K-12 (Tennessee license code 489)	Chiropractors licensed under Title 63 Chapter 4	Professional counselors, Marital and Family therapists and Clinical pastoral therapists licensed under Title 63 Chapter 22
Speech/language pathologist (SLP) Pre-K-12 (Tennessee license code 498)	Dentists licensed under Title 63 Chapter 5	Social workers licensed under Title 63 Chapter 23
Speech/Language teacher (Tennessee license code 458)	Nurses licensed under Title 63 Chapter 7	Athletic trainers licensed under Title 63 Chapter 24
<b>Behavior Analyst Certification Board (BACB):</b>	Optometrists licensed under Title 63 Chapter 8	Dietitians and nutritionists licensed under Title 63 Chapter 25
Board Certified Behavior Analyst (BCBA) certified by the BACB	Pharmacists licensed under Title 63 Chapter 10	Psychologists licensed under Title 63 Chapter 11
Registered Behavior Technician (RBT) certified by the BACB	Behavior analysts licensed under Title 63 Chapter 11	Occupational and physical therapists licensed under Title 63 Chapter 13
	<i>Licensed occupational and physical therapy assistants (OTAs, PTAs) who have received therapy orders from a licensed therapist may also be approved</i>	

Account holders must receive pre-approval by the department before the services are provided and before using IEA funds to pay for educational therapy services. (See the section below for pre-approval instructions.)

### Reminder:

Pre-approvals for therapy services are only valid until the provider's license expiration date and/or the last date of the IEA contractual year; the date of expiration will be included in the approval notice from the department. The department requires that updated pre-approvals for therapists be submitted to the department at the beginning of each contract year if the account holder wishes to continue services by a specific provider who was approved in a previous contract year. The department, at its discretion, may allow early submittal of preapproval requests for therapy and tutoring services for the next contract year to avoid any potential disruption in services.

### Resource:

For information on finding a licensed therapist or to check licensure, please visit:

- [Tennessee Department of Health Physician Licensure](#)
- [BCBA and RBT certification](#)
- [Educator Licensure](#)

The name of the therapist, license number, and the license type listed on the therapist pre-approval request form must match the information posted on the applicable website.

## How to Receive Pre-Approval for Educational Therapy Services

Account holders must receive prior approval from the department **before** using IEA funds to pay for educational therapy services. To request pre-approval, account holders must submit the [Educational Therapies and Services Pre-approval & Agreement Form](#) to the department. The submitted request must include all the following components:

- therapy provider information, including
  - therapist name,
  - phone number,
  - email address,
  - business address, and
  - license/certification type and license/certification number;
- name of the educational therapy; and
- description of the therapy's educational purpose.

On the pre-approval form, account holders must attest that the provider complies with the criminal background check rules pursuant to [SBE Rule 0520-01-11](#) (see the section above for how to check provider compliance with this requirement) and verification that the provider holds professional liability insurance. To ensure that providers meet this requirement, account holders should request to see verification of the provider's professional liability insurance to ensure it complies with the IEA Rules. Examples of verification of professional liability insurance include:

- a certificate of professional liability that covers the individual provider, or
- a certificate of professional liability that covers the company.

### Reminder:

Educational therapy pre-approvals are never valid past the date the provider's license expires; the date of expiration will be included in the approval notice from the department.

**The name of the educational therapy and of the therapist on the receipt submitted with the IEA expense report must match what is listed on the pre-approved notice from the department.**

## Educational Tutoring Services

### Definition:

**"Tutoring service"** is defined as supplementary instruction in an academic subject area provided to support/ enhance the primary instruction that a student receives in a course and/or class. **Tutoring services are not the primary instruction. Please note: Lessons, classes, and tuition fees are not considered tutoring services.** All services must be services in the approved subject areas listed in chapter 6.

Account holders must receive pre-approval by the department before tutoring services are provided and before using IEA funds to pay for tutoring services. (See the section below for instructions on how to request pre-approval.)

### Approved Tutoring Subject Areas

IEA funds may be used to pay for tutoring services for a participating student in grades K-12 in any of the following approved subject areas:

- computer technology (including computer applications, computer literacy, computer programming, and interactive multimedia design),
- English language arts (including reading),
- health education,
- mathematics (including algebra I, algebra II, geometry, calculus, trigonometry, pre-calculus, statistics),
- personal finance,
- science (including biology, chemistry, physics, physical science, anatomy and physiology, earth science, geology, environmental science, ecology),
- social studies (including economics, psychology, sociology, U.S. history, world history, geography, ancient history, African American history, U.S. government, and civics),
- world language, and
- history and theory of fine arts.

If a subject area for which an account holder wishes to hire a tutor is not listed above, the account holder may request that a subject area be added to this list by submitting a [Tutor Subject Add Request Form](#) to the department. If the new tutor subject area is approved by the department, the account holder would then need to submit a [Tutoring Services Pre-Approval & Agreement Form](#) to request pre-approval for the services **prior** to services rendered by an individual tutor and/or payment for said services. If the participating student will receive tutoring services from an approved tutoring facility (see list of approvable facilities below), the account holder would need to submit a [Tutoring Services Facility Pre-approval & Agreement Form](#) prior to services rendered and/or payment for said services.

## Tutor/Tutoring Facility Accreditation Requirements

For use of IEA funds, tutoring services must be provided by an individual tutor who holds one of the qualifications listed below or a tutoring organization accredited by one of the following entities (**credentials must be in the subject area for which the tutor will be providing tutoring services**).

### *Accreditation Facilities:*

- any accreditation division of [Cognia](#) (formerly AdvancED):
  - North Central Association Commission on Accreditation and School Improvement (NCA CASI);
  - Northwest Accreditation Commission (NWAC); or
  - Southern Association of Colleges and Schools Council on Accreditation and School Improvement (SACS CASI);
- [Middle States Association of Colleges and Schools \(MSA\)](#);
- [New England Association of Schools and Colleges \(NEASC\)](#);
- [Western Association of Schools and Colleges \(WASC\)](#); or
- [Council on Occupational Education \(COE\)](#).

*Individual Tutors must hold at least one of the following credentials in the subject area for which the tutor will be providing tutoring services:*

- a state teaching certificate in elementary, secondary, or special education (issued by one of the 50 states in the U.S. only);
- an advanced teaching certification known as *National Board Certification* given by the National Board for Professional Teaching Standards community (proof of National Board Certification must be submitted with the pre-approval form);
- a bachelor's degree or higher from an accredited university in the specific subject area being taught (proof of degree attainment must be submitted with the pre-approval form, such as official transcripts or a diploma); **or**
- proof of a passed Praxis exam in all applicable portions of the Praxis exam for the subject area and/or grade level for which tutoring services are provided (proof of passing Praxis scores must be submitted with the pre-approval form).

State teaching certificates/licenses are not required to be current (e.g., a retired teacher with an expired teaching license may qualify as an IEA tutor); however, individuals with licenses that have been suspended or revoked will not qualify as IEA tutors. An account holder may verify a potential tutor's Tennessee teaching license by searching the tutor's name at <https://department.tncompass.org/Public/Search>.

## How to Receive Pre-Approval for Educational Tutoring Services

Account holders must receive prior approval from the department **before** using IEA funds to pay for educational tutoring services. To request pre-approval, account holders must submit the [Tutoring Services Pre-Approval & Agreement Form](#) to the department. The submitted request must include all the following:

- tutor and/or tutoring facility Information;
  - name,
  - phone number,
  - email address,
  - business address, and
  - individual tutor credentials or tutoring facility accreditation;
- name of the tutoring subject area; and
- description of the therapy's educational purpose.

On the pre-approval form, account holders must attest that the provider complies with the criminal background check rules pursuant to [SBE Rule 0520-01-11](#). (See the section above for how to check provider compliance with this requirement.)

### Reminder:

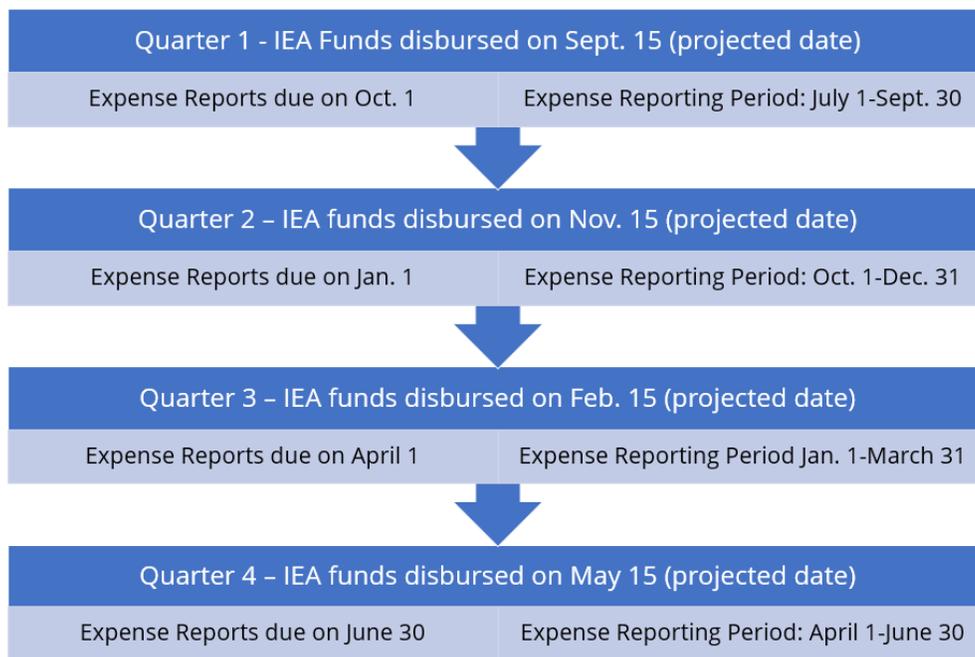
Tutoring service pre-approvals are only valid until the date the provider's credentials expire and/or the last date of the IEA contractual year; the date of expiration will be included in the approval notice from the department. The department requires that updated pre-approvals for tutoring services be submitted to the department at the beginning of each contract year if the account holder wishes to continue services by a specific provider who was approved in a previous contract year. The department, at its discretion, may allow early submittal of preapproval requests for therapy and tutoring services for the next contract year to avoid any potential disruption in services.

- **The name of the tutoring facility and/or provider on the receipt submitted with the IEA expense report must match what is listed on the pre-approved notice from the department.**

# Chapter 7: Expense Reporting

State law requires that the department adopt policies necessary for the administration of the IEA Program. Further, [SBE Rule](#) and the *IEA Account Holder Contract* requires that IEA account holders submit expense reports and receipts for all IEA funds expended in accordance with the procedures set by the department before the next IEA payment is disbursed. IEA funds may only be used on specific allowable expenses as outlined in chapters 5 and 6 of this handbook, and **the department must receive a quarterly [IEA Expense Report](#)**, including all relevant receipts and documentation, **for each participating student by the deadlines listed below and on the *Key Dates* section of the [IEA webpage](#)**. For assistance, please contact the IEA team at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov).

## Disbursement and Expense Report Schedule for 2023-24 (Deadlines)



IEA Expense Reports are due each quarter by 3 p.m. CT | 4 p.m. ET on the listed date.

### Reminder:

- The IEA Program is direct payment only. The IEA Program will not reimburse account holders for any personal funds spent.
- IEA funds may only be used for approved educational expenses that meet the criteria in chapters 5 and 6 of this handbook.

## Expense Reporting Instructions

Account holders must complete all fields in each applicable expense section. If all fields for a listed expense are not completed, the form will be considered incomplete.

**The expense report must include all expenses paid during the expense reporting period. If an expense is not reported on the expense report, it will be considered a misuse of funds.**

Please note the following:

- Each quarterly expense report must include **all** expenses paid during the reporting period. Missing funds for expenses not reported will be considered misspent funds.
- Any refunds must be reported in the “Additional Comments” section of the expense report, and documentation substantiating the return must be submitted with the expense report.
- If an account holder pre-pays for services (e.g., educational therapy), the account holder must report the amount pre-paid on the expense report for the quarter in which the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed.
- **If the account holder has spent zero IEA funds in a quarter, a signed expense report must still be submitted, indicating in the “Additional Comments” section of the expense report that zero dollars were spent in that quarter. Future disbursements will be held until this is received.**
- All expenses listed on an [IEA Expense Report Form](#) should only reflect funds that are charged to the IEA debit card or funds that are contributed to an ABLE TN or Coverdell savings account (see below for more information). Personal funds used should never be reported on this form. The amount reported should include all fees, including any taxes, shipping costs, and any costs or fees associated with using the IEA debit card (e.g., debit card processing fees).
- **If all expenses for a given quarter will not fit on one expense report for the quarter, please complete an additional report for the excess expenditures.** Expenses (with the exception of refunds or unique situations) may *not* be reported in the “Additional Comments” section of the expense report.
- The department may suspend and/or close an IEA account and remove a participating student if the department does not receive a complete expense report (including all receipts and supporting documentation) by the deadline, and all expenses spent in that quarter will be deemed misspent. If the account is closed, any funds remaining in the account will be forfeited and returned to the state treasurer to be placed in the state’s education funding account.

Once the department receives the [IEA Expense Report Form](#), the department will review all expenditures and coordinating receipts in order to reconcile for the next IEA payment disbursement. The IEA team will contact the account holder if additional information is needed to verify that the IEA funds were spent in accordance with state law, rules, and procedures.

Please allow up to 45 calendar days for the department to review the expense report; the IEA team will notify the account holder as to the status of the expense report. The next IEA payment will not be distributed until the department approves the Expense Report Form.

If an IEA expense report is not submitted by the required deadlines and/or is incomplete, there may be a delay in disbursement of the next IEA payment by at least one full payment cycle and possibly more payment cycles (depending on when the expense report is approved). If IEA funds are misspent, funds may be pulled from the IEA or future IEA payments will be reduced by the amount of the misspent funds, the IEA may be suspended, and/or the student may be removed from the IEA Program.

## Receipt Submission

All submitted receipts/invoices must include **all** the following information:

- date of purchase/service;
- name of provider/vendor (e.g., store name, name of the tutor/therapist who provided services to the student, etc.);
- description of item or service purchased (e.g., type of therapy provided, itemized list of fees for participating nonpublic school, list of months tuition payment is covering); and
- amount of purchase.

All invoices must have a zero balance or documentation showing that the invoice was paid. If an account holder fails to submit a valid receipt or invoice that includes all the required information, the expense will be considered a misuse of funds, and IEA funds will either be pulled from the IEA, withheld from future IEA payments, or if no longer participating in the Program, the account holder will be required to repay the funds. Bank account statements do not qualify as receipts. The department encourages account holders to save digital copies of all receipts.

### Reminder:

- All account holders are required to submit four expense reports per participating contract year, even if \$0 was spent during a quarter, in accordance with the rules and procedures set for the Program.
- If the account holder has spent zero IEA funds in a quarter, a signed expense report must still be submitted, indicating in the "Additional Comments" section of the expense report that zero dollars were spent in that quarter.

## ***Reporting Expenses for Tuition, Fees, and/or Required Textbooks at a Participating Nonpublic School***

If an account holder used IEA funds to make a payment to a participating nonpublic school for tuition, fees, and/or required textbooks, **all** the following must be included on the expense report:

- name of the IEA participating school that matches the name on the list of IEA participating schools posted on the IEA webpage (do not only list "tuition" or "private school");
- itemized description/list of tuition and fees (e.g., class names, fee type);
- date of service (e.g., dates for which tuition covered);
- date of purchase; and
- amount paid for the quarter with the IEA debit card.

Please do not indicate the total amount of the school tuition or include personal funds used. **Include only the amount charged on the IEA debit card.** If fees were charged by the nonpublic school, account holders must submit an *itemized* receipt that includes the cost of the fee and a *description* of the fee (e.g., registration fees, test administration fees, etc.).

If an account holder uses IEA funds to pay for textbooks required by the nonpublic school, the account holder must submit a [Participating Schools Required Textbooks Affidavit Form](#) **before** the expense report is

submitted and must list the required textbook expenses in the appropriate category on the expense report for the reporting period in which the funds were spent.

Along with the expense report, the account holder must submit a completed (detailed) invoice from the school. If the expense is for tuition, the receipt must state 'tuition' and detail the months covered. All fees must be itemized on the receipt (i.e., listed individually).

## ***Reporting Expenses for Educational Therapy Services***

If an account holder used IEA funds to pay for educational therapy services, **all** the following must be included on the expense report:

- name of the therapist;
- name of business/organization (if applicable);
- date that the Educational Therapies and Services Pre-Approval & Agreement Form was approved by the department;
- date of service(s);
- date of purchase (i.e., date the services were paid for); and
- total amount of IEA funds used to pay for the therapy services.

### **Reminder:**

Account holders must submit the [Educational Therapies and Services Pre-approval & Agreement Form](#) to the department and receive approval before therapy services are provided and before IEA funds are used to pay for the services. **The name of the provider (e.g., therapist) on the receipt who is providing the services must be the same as the name on the pre-approval form that is approved by the department.** The department does not pre-approve therapy organizations, only individual therapists, so the name of the therapist listed on the pre-approval form must be the same name as the name of the therapist providing the services listed on the receipt and expense report.

Along with the expense report, the account holder must submit a completed (detailed) invoice from the therapist. **The total amount paid must match the amount charged to the IEA debit card.** If an account holder pre-pays for services (e.g., educational therapy), the account holder must report the amount pre-paid on the expense report for the quarter that the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed. The dates of service must be listed on the receipt. (For detailed information, see chapter 6.)

## ***Reporting Expenses for Educational Tutoring Services***

If an account holder used IEA funds to pay for tutoring services, **all** the following must be included on the expense report:

- name of the tutor;
- name of the tutoring facility (if applicable);
- date Tutoring Services Agreement Form was approved by the department;
- date(s) of services;
- date of purchase (i.e., date the services were paid for); and
- total amount of IEA funds used to pay for the tutoring services.

Account holders must submit a [Tutoring Services Pre-Approval & Agreement Form](#) to the department and receive approval **before** IEA funds may be used to pay for tutoring services. The name of the provider (e.g., tutor or tutoring facility) on the receipt who is providing the services must be the same as the name listed on the pre-approval form that is approved by the department.

Along with the expense report, the account holder must submit a complete (detailed) invoice from the tutor or tutoring facility. If an account holder pre-pays for tutoring services, the account holder must report the amount pre-paid on the expense report for the quarter that the IEA funds were spent *and* include a receipt detailing when the services were rendered in the expense report for the quarter in which the services were performed. The dates of service must be listed on the receipt. (For detailed information, see chapter 6.)

## ***Reporting Curriculum Expenses***

If an account holder used IEA funds to purchase a curriculum, **all** the following must be included on the expense report:

- name of the curriculum;
- link to exact webpage that describes the curriculum;
- subject area;
- date of purchase;
- total amount spent on a curriculum; and
- date Curriculum Pre-Approval Form was approved by the department (if applicable).

If the account holder purchased supplemental materials, the following information would also need to be reported on the expense report:

- itemized list of the name(s) of supplemental materials required by the curriculum;
- link or list of links to exact webpage(s) that describes the supplemental materials;
- link to exact webpage that shows the curriculum requires the supplemental materials;
- list of date(s) of purchase of each supplemental material; and
- total amount spent on supplemental materials.

Along with the expense report, account holders must submit an itemized **receipt for all purchases**.

If the expense is an online learning program or course, the expense is required to meet the department requirements for an online learning program/course (see chapter 5 of this handbook) and must be listed in that section of the expense report.

## ***Reporting Computer Hardware and Technological Device Expenses***

If an account holder used IEA funds to purchase a computer hardware/technological device, **all** the following information must be included on the expense report:

- name of the computer hardware/technological device;
- date the department approved the [Computer Hardware/Technological Device Pre-Approval Form](#);
- date of purchase; and
- total amount of IEA funds used to pay for the computer hardware/technological device.

Along with the expense report, the account holder must submit a detailed, itemized receipt.

## Reminder:

Before purchasing computer hardware/technological devices using IEA funds, account holders must receive pre-approval from the department. (See chapter 5 for more information.)

## Reporting Test Fee Expenses

**All** the following must be included on the expense report if test fees were paid for with IEA funds:

- name of test;
- date of purchase;
- name of the company the assessment was purchased from and/or who administered the assessment, including online; and
- total amount of IEA funds used to pay for the test fees.

Testing fees for TCAP assessments, norm-referenced tests, and college placement tests must be itemized on the IEA Expense Report. Along with the expense report, account holders must submit an itemized receipt.

## Reporting Expenses for Tuition/Fees for Online Learning Program/Courses

If an account holder used IEA funds to make a payment to pay for tuition/fees for an online learning program/course, **all** the following must be included on the expense report:

- name of the nonpublic school/organization/company providing the program/course;
- online program/course name;
- date of purchase;
- amount paid for the quarter using the IEA debit card; and
- date [Online Learning Program/Course Pre-Approval Form](#) was approved by the department (if applicable).

Along with the expense report, the account holder must submit a complete (detailed) invoice from the nonpublic school, organization, or company providing the program/course.

## Reminder:

This section only applies to tuition/fees for **part-time enrollment** in an online learning course or program. To report full-time enrollment in an online learning program using IEA funds, the organization/school providing the program **must be a participating nonpublic school in the IEA Program**, and the expense must be reported in the “Tuition, Fees, and/or Required Textbooks at a Participating Nonpublic School” section of the expense report. Curriculum materials purchased with IEA funds for use in an online learning program or course would follow the expense report submission guidelines for curriculum and must be reported in the “Curriculum” section of the expense report.

## Reporting Expenses for Public School Services

If an account holder contracts with a public school district to provide services (including individual classes and extracurricular programs), each service will need to be listed on the IEA expense report for the quarter in which services were paid using IEA funds.

If the account holder used IEA funds to pay for public school services, **all** the following must be included on the expense report:

- name of the public school;
- name of public school district;
- description of the service/fee;
- date of purchase (service/fee/charge); and
- amount paid for the quarter using the IEA debit card.

Along with the expense report, the account holder must submit a **receipt** and a **copy of the contract for services** with the public school district.

### ***Reporting Expenses for Tuition, Fees, and/or Required Textbooks at a Post-secondary Institution***

If an account holder used IEA funds to make a payment to an eligible post-secondary institution for tuition, fees, and/or required textbooks, **all** the following must be included on the expense report:

- name and address of the post-secondary institution;
- name of the accrediting organization;
- itemized description/list of tuition and fees (e.g., class names, fee type);
- date of purchase; and
- amount paid for the quarter using the IEA debit card.

**All invoices must have a zero balance or documentation showing that the invoice was paid.**

Please do not indicate the total amount of the tuition or include personal funds used. **Include only the amount charged on the IEA debit card.** If fees were charged by the post-secondary institution, the account holder must submit an itemized receipt that includes the cost of the fee and a description of the fee (e.g., registration fees, lab fees, test administration fees, etc.).

If an account holder uses IEA funds to pay for textbooks required by the post-secondary institution, the account holder must submit a [Participating Schools Required Textbooks Affidavit Form](#) **before** the expense report is submitted and must list the required textbook expenses in the appropriate category on the expense report for the reporting period in which the funds were spent.

Along with the expense report, the account holder must submit a complete (detailed) invoice from the institution. Expenses for tuition must state “tuition” on the receipt or invoice and list the months covered; all fees must be itemized on the receipt or invoice (i.e., listed individually).

### ***Reporting Transportation Expenses***

If an account holder used IEA funds to pay for transportation expenses, **all** the following must be included in the expense report:

- name of transportation provider (avoid vague terms such as “bus” or “taxi service”);
- destination name (e.g., name of provider, name of school);
- date of transportation; and
- total amount of IEA funds used to pay for the transportation.

Please do not include personal funds used. Include only the amount charged on the IEA debit card.

Along with the expense report, the account holder must submit (detailed) receipts from the transportation providers. Invoices and receipts for transportation expenses must state “transportation,” and all fees must be itemized. The receipts must list the address of the school/educational provider or location where the student is being transported from/to, and the total amount of IEA funds used to pay for the transportation. If using IEA funding to pay for public bus transportation, it is recommended that a bus pass be purchased (as opposed to paying the bus fare on the bus) to generate a receipt of the funds expended.

### Reporting Achieving a Better Life Experience (ABLE) Account Contributions

If an account holder used IEA funds to make a contribution to the IEA portion of an ABLE TN savings account, **all** the following must be included on the expense report:

- ABLE account number;
- date the IEA ABLE Contribution Form was approved by the department;
- ABLE IEA identification number;
- date(s) of contribution(s); and
- total amount of IEA funds contributed to the account for that quarter.

With submission of the expense report, the account holder must provide proof of deposit for the ABLE contribution. The ABLE TN financial transaction confirmation must show the Contribution Check under the Transaction Description of the Investment Transactions section of the Activity Confirmation part of the document. (See example below.) ABLE contributions should only be reported after they have been deposited into the IEA portion of the ABLE TN account. The information listed on the expense report must match what was submitted on the [ABLE TN Contribution Request for IEA Account Holders Form](#).



Mr. John Doe  
123 1<sup>st</sup> St.  
Nashville, TN 37243

**Questions?**  
**Customer Service:**  
 1-855-922-5386  
 Monday through Friday  
 8:00 a.m. - 4:30 p.m. CT  
**Email:**  
 ABLE.TN@tn.gov  
**Internet:**  
 www.abletn.gov

It is important that the ID number is visible.

The information contained in this document pertains only to the IEA portion of your ABLE TN account.

Activity Confirmation		Confirmation Date
Account Owner	Parent/Guardian	
Sam Doe	John Doe	123456789-02

**Investment Summary As of 12/23/2021**

Investment Option	Units	Unit Price	Ending Value
TN Balanced Fund	137.1894	\$14.14	\$1939.86
<b>Total Account Value:</b>			\$1939.86

**Investment Transactions**

Trade Date	Investment Option	Units Transacted	Unit Price	Transaction Amount	Transaction Description
	TN Balanced Fund	137.1894	\$14.14	\$1939.86	Contribution Check

ABLE TN Financial Transaction Confirmation Example for Reporting

This should be the Account Holder.

Make sure that both the amount of the deposit shows, and the Transaction Description reads “Contribution Check.”

Account holders have 21 calendar days after the issuance date of the IEA check to deposit the funds into the ABLE account. If the account holder has not deposited the IEA check into the ABLE account by the last date of an expense report deadline, the funds must be reported in the next quarter's expense report. Any IEA checks for ABLE funds that are received and not deposited into the ABLE account will be considered misspent.

### Reminder:

All IEA funds must be deposited into the IEA portion of the ABLE TN account. The IEA portion is noted by an identification number ending in -02. Account holders may complete this [form](#) to establish the IEA identification number or may contact ABLE TN at [ABLE.TN@tn.gov](mailto:ABLE.TN@tn.gov) if assistance is needed prior to any IEA fund deposits. (See chapter 5 of this handbook for more information.)

For ABLE TN Contributions to be an approved use of funds, IEA account holders must follow the ABLE TN's guidance regarding depositing IEA funds into an ABLE TN account. For more information, see <https://able.treasury.tn.gov/Tennessee-Individualized-Education-Accounts-IEA>.

## Reporting Coverdell Education Savings Account Contributions

If an account holder used IEA funds to make a contribution to a Coverdell Education Savings account, **all** the following must be included on the expense report:

- name of financial institution;
- date the IEA Coverdell Contribution Form was approved by the department;
- last five digits of Coverdell account number;
- date(s) of contribution(s); and
- total amount of IEA funds contributed to the account.

With submission of the expense report, the account holder must provide proof of deposit for the Coverdell contribution (e.g., include the *entire* Coverdell statement that lists a *contribution(s)* to the Coverdell account). Coverdell contributions should only be reported after they have been deposited into the Coverdell account. The information listed on the expense report must match what was submitted on the [IEA Coverdell Contribution Request Form](#).

Account holders have 21 calendar days after the issuance date of the IEA check to deposit the funds into the Coverdell account. If the account holder has not deposited the IEA check into the Coverdell account by the last date of an expense report deadline, the funds must be reported on the next quarter's expense report. Any IEA checks for Coverdell funds that are received and not deposited into the Coverdell account will be considered misspent.

### Reminder:

If an account holder chooses to open either an ABLE-TN or Coverdell account in order to meet the statutory 50% spending requirement for the contract year, requests to receive funds to deposit in these accounts must be submitted to the department no later than 30 days prior to submission of the final expense report of the contract year in order to allow time for the account holder to receive and deposit the funds and then provide proof of deposit submitted with the final expense report.

## ***Reporting Fees Associated with Use of the IEA Debit Card***

There are currently no Conduent or department fees associated with use of the IEA debit card. However, if a merchant or provider charges a fee for using the IEA debit card to process the transaction (e.g., debit card processing fee), the account holder must include the fee (with the cost of the approved expense) on the expense report. For example, if a participating school charged a \$100 debit card processing fee on a \$1,000 tuition charge, the account holder would report \$1,100.00 under “Tuition and Fees at a Participating School.”

## ***Reporting Disallowed Expenses***

If an account holder uses IEA funds to pay for non-approved expenses, the expenses are considered a misuse of funds. In this case, the account holder should immediately notify the department at [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov), and the account holder must report such expenses in the “Disallowed Expenses” section of the expense report for the quarter in which the funds were spent. In addition, the non-approved expenses must be repaid following the process outlined in chapter 4 of this handbook. **Pursuant to the rules of the State Board of Education, and in accordance with the procedures of the department, an account holder who misuses IEA funds can be subject to removal from the IEA Program.**

If an account holder uses IEA funds to pay for non-approved expenses, **all** the following must be included in the expense report:

- description of the expense;
- date of purchase;
- date the account holder reported misuse of funds to the department (notifications must be emailed to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov)); and
- total amount of IEA funds misused.

# Chapter 8: Exiting the IEA Program

A student may exit the IEA Program in one of four ways:

- voluntary withdrawal – the account holder chooses to withdraw the student from the IEA Program;
- non-renewal of the IEA – the account holder chooses not to submit an IEA renewal student application or renew the *IEA Account Holder Contract* for the next school year;
- completion of the IEA Program – the student exits the IEA Program because he/she graduates from high school (including passing the GED or HiSET) or attains 22 years of age by August 15, whichever occurs first; **or**
- involuntary removal by the department – the student is removed from the IEA Program by the department.

If the student exits the IEA Program for any reason, the account holder must notify the IEA liaison of the LEA in which the student resides to provide notice that the student has exited the IEA Program.

## Reminder:

Any expenditures of IEA funds after the date of withdrawal from the IEA Program is a misuse of funds. The department may refer cases of substantial misuse of monies to the Tennessee Attorney General's Office or the State Comptroller's Office for investigation and/or recoupment of outstanding funds.

## Account holders should consider the following before choosing to withdraw a student from the IEA Program:

- The IEA Program has one enrollment application window each school year. If a student is withdrawn from the IEA Program, the student would be ineligible to enroll back into the IEA Program until the following school year, at which time the student would be considered a "New Student" and would be required to reapply and meet all IEA eligibility requirements at the time of application.
- All students must meet the compulsory school attendance requirements set by law. Tennessee law, [T.C.A. § 49-6-3001](#), requires all children ages 6–17 (inclusive) to attend school. Certain children ages 6–17 may be temporarily excused from school attendance if they meet the exceptions outlined in [T.C.A. § 49-6-3005](#); however, the local board of education "shall be the sole judge in all such cases." Upon withdrawing a child from the IEA Program, the account holder may choose to enroll the student in a public school, allow the student to remain enrolled in the nonpublic school the student is currently attending, or enroll the student in another nonpublic private or home school.
- If a student withdraws from the IEA Program and returns to a public school, the credits earned at the participating nonpublic school may not be accepted by the public school. **Participation in the IEA Program does not guarantee that credits earned at participating private and/or home schools will transfer to a public school.** The transfer of credits shall be in compliance with [TN SBE Rule 0520-01-03-.03](#). Testing may be required to receive credit for courses. Parents should contact the LEA in which the student resides to determine whether or not credits will transfer.

## Enrollment in a Public School After Withdrawal from the IEA Program

If a student is withdrawn from the IEA Program, the student may return to public school. Upon a student's return to a public school (LEA), the following should occur:

- The student's IEA participating school must send the student's educational records to the public school in which the student enrolls; **and**
- The LEA that the student resides in must enroll the student and provide instruction in the **general education** curriculum.

### Reminder:

If a student withdraws from the IEA Program and re-enrolls in public school, the school district should provide the student with comparable services to the services listed on the student's most recent active IEP until a new IEP has been developed. Again, please note that the Department has recently updated its guidance to inform school districts that students participating in the IEA Program should be marked as eligible for special education and related services, but inactive due to participation in the Program.

If the school district has marked the student as eligible for special education and related services, but inactive due to participation in the Program, then the school district should convene an IEP meeting within 30 days of the student's enrollment in public school to update the student's most recent IEP.

If the school district still has the student marked as ineligible for special education and related services due to participation in the Program, then the school district must request parent/guardian consent to conduct an initial evaluation for special education and related services. The school district has 60 calendar days to complete the evaluation and determine whether the student is eligible for special education and related services, and an additional 30 calendar days to develop an IEP. The student will continue to receive comparable services during this period.

## Voluntary Withdrawal

An account holder may voluntarily withdraw a student from the IEA Program at any time during the contractual year. To withdraw a student from the IEA Program and close the IEA, the account holder must complete and submit an [IEA Student Withdrawal Form](#) to the department. Upon receiving the withdrawal form, the department will send the account holder written notice that the *IEA Account Holder Contract* has been terminated and that the student's IEA has been closed. Any balance of funds remaining on the IEA debit card **on the date of the student's withdrawal from the IEA Program** will be withdrawn from the account and returned to the state treasurer to be placed back into the state's education funding formula, TISA.

In addition, the account holder must complete and submit a final expense report, along with all supporting receipts and documentation, within 10 business days of the withdrawal date. Upon receiving the withdrawal form, the department will complete an audit of the account which will include review of the required final expense report and supporting documentation. If the department determines that IEA funds were misspent, the department will notify the account holder detailing the requirement to repay those funds, including information regarding the appeals process, if applicable.

## ***Non-Renewal of the IEA***

Account holders may choose not to renew the student's enrollment in the IEA Program. If an account holder has not submitted an IEA Renewal Student Application, including all supporting documentation, by the deadlines posted on the IEA webpage or does not sign a new *IEA Account Holder Contract* for the new contractual year, the student's IEA will be closed by the end of the IEA contract term. Any funds remaining on the IEA debit card will be withdrawn from the account and returned to the state treasurer to be placed in the state's education funding account.

### **Reminder:**

If an IEA is closed, any expenditures of IEA funds after the date of closure is a misuse of funds. The department may refer cases of substantial misuse of monies to the Tennessee Attorney General's Office or the State Comptroller's Office for investigation and/or recoupment of outstanding funds.

**Note:** Non-renewal of an *IEA Account Holder Contract* is not considered removal, and the student would be eligible to reapply to the IEA Program in the future if the student meets the eligibility requirements of the Program, pending no department determinations of fraudulent or misuse of funds. Upon a student's exit of the IEA Program, the department will complete an audit of the account which will include review of the required final expense report and supporting documentation. If the department determines that IEA funds were misspent, the department will notify the account holder detailing the requirement to repay those funds, including information regarding the appeals process, if applicable.

## ***Completion of the IEA Program***

A participating student is no longer eligible to remain in the IEA Program or eligible to receive IEA funding if either of the following occurs:

- The student graduates from high school. (Note: The student may continue in the Program until such time as he or she receives a high school diploma or receives a passing score on all subtests of the General Education Development (GED) or High School Equivalency Test (HiSET). Certificates of attendance do not constitute graduation from high school for the purpose of this Program); **or**
- The student reaches twenty-two (22) years of age. (The student may complete the school year in which he or she reached the age of 22, provided the student does not turn 22 years old on or before Aug. 15, 2023, in order to remain enrolled in the IEA Program for the 2023-24 school year.)

After graduating from high school or reaching twenty-two (22) years of age, unused funds in an IEA from prior years can be used for the next four (4) consecutive years, provided the student attends or takes courses from an eligible post-secondary institution, and the expenditures are determined to be qualifying expenses. (See chapter 5 of this handbook for more information on post-secondary coursework.)

### **Reminder:**

If a student completes the IEA Program, the account holder must notify the IEA liaison of the LEA district in which the student resides to provide notice that the student has exited the program. Contact information for LEA liaisons for the IEA Program is posted on the IEA webpage on the Parent & Students page.

## ***Involuntary Removal by the Department***

Pursuant to [SBE Rule 0520-01-11](#), the department may permanently remove any participating student from the IEA Program if the account holder fails to comply with the terms of the *IEA Account Holder Contract* or applicable laws, rules or procedures, or if the account holder misuses IEA funds.

If the department makes a determination to remove a student from the IEA Program, the department will complete the following:

- notify the account holder that the student is being removed from the IEA Program;
- freeze (suspend) the funds in the IEA account; and
- provide no further fund disbursements.

If a student is removed from the IEA Program, the account holder must submit a final expense report to the department documenting all IEA funds expenditures since the last expense report was submitted, along with all supporting receipts and documentation, by the deadline stated in the removal notice.

If the department determines that IEA funds have been misspent, the department shall notify the account holder, and the account holder shall repay the misspent amount in the manner and within the timeframe set by the department. The department is authorized to freeze and/or withdraw funding directly from the student's IEA for reasons including, but not limited to, fraud, misuse of funds, account holder failure to comply with the terms of the state laws, rules, procedures, or the *IEA Account Holder Contract*, if the student returns to the LEA, or if funds were deposited into the account in error.

An account holder may appeal the department's decision to remove a participating student by following the appeals procedures of [SBE Rule 0520-01-11-.10](#) and as outlined below in this handbook.

### **Possible Reasons for IEA Termination**

Students may be removed from the IEA Program for reasons including, but not limited to:

- failure to comply with the terms of the IEA Account Holder Contract or applicable laws, rules, or procedures;
- misuse of IEA funds;
- failure to report all expenditures of IEA funds following the requirements set by the department;
- full-time enrollment in a public school, including public charter schools and public virtual education programs;
- failure to submit expense reports and all required supporting documentation (e.g., receipts) by the deadlines set by the department;
- failure to provide for a participating student's instruction in the areas of English language arts, mathematics, social studies, and science;
- failure to submit assessment verification to the department showing that the participating student in grades 3–8 has taken either a nationally norm-referenced test(s) approved by the department or the TCAP test(s), or any future replacements of the TCAP test(s);
- providing false information to the department (application, contract, bank form, etc.);
- fraudulent activity;
- failure to notify the department of any updates to the information submitted in the application, renewal, and/or contract [including, but not limited to, the email address, residential address, school

type (i.e., independent home school, private school), LEA the student resides in, and/or phone number of the account holder/student] within 15 calendar days of the change becoming effective; and

- failure to submit any required documents by the deadlines set by the department.

## ***Appeal Procedures: Request for Reconsideration***

In accordance with [SBE Rule 0520-01-11-.10](#), an account holder may appeal any department decision regarding the following determinations:

- determination of eligibility;
- determination of misspent IEA funds; **and/or**
- removal of the student from the IEA Program.

To appeal a department decision, the account holder must complete the following:

- **Step 1:** Step One appeals shall be reviewed by the Commissioner or Commissioner's designee. Step One appeals must be submitted to the Department within fourteen (14) calendar days of the Department electronically sending the determination that is being appealed. The day that the Department sends the determination shall not count as part of the fourteen (14) calendar days. To file a step one appeal, complete the [Step One Appeal Form](#) posted on the [IEA webpage](#) and email the completed form to [IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov). Appeal forms submitted after the deadline, incomplete appeal forms, or appeal forms with vague language that does not clearly articulate the issue on appeal will not be reviewed. The Department shall make a determination and issue an electronic notification to the appealing party within forty-five (45) calendar days of receiving the Step One appeal.
- **Step 2:** If the Department denies the Step One appeal, the appealing party may file a Step Two appeal. Step Two appeals shall be reviewed by an administrative law judge in accordance with the procedures set forth in the Uniform Administrative Procedures Act, T.C.A. §§ 4-5-301 et seq. Step Two appeals must be submitted to the Department within thirty (30) calendar days of the Department electronically sending the Step One determination. The day that the Department sends the Step One determination shall not count as part of the thirty (30) calendar days. To file a UAPA appeal, please complete the [UAPA Appeal Form](#) posted on the [IEA webpage](#). After the UAPA appeal form has been submitted to the department, the party will be notified by an administrative law judge who will set the date and time of the hearing.

# Chapter 9: Quick Link References

ABLE TN Savings Account Information

<https://able.treasury.tn.gov/>

Coverdell Savings Account Information

<http://www.irs.gov/publications/p970/ch07.html>

Education Choices in Tennessee

<https://www.tn.gov/education/families/school-options.html>

Email address for IEA Questions

[IEA.Questions@tn.gov](mailto:IEA.Questions@tn.gov)

Federal Bureau of Investigation (FBI)

<https://www.fbi.gov/services/cjis/identity-history-summary-checks>

IEA Participating Nonpublic School Handbook

[https://www.tn.gov/content/dam/tn/education/iea/2020-21\\_IEA\\_PrivateSchoolHandbook-revised.docx](https://www.tn.gov/content/dam/tn/education/iea/2020-21_IEA_PrivateSchoolHandbook-revised.docx)

IEA Program Key Dates

<https://www.tn.gov/education/iea/iea-key-dates.html>

IEA webpage

<https://www.tn.gov/education/iea.html>

List of IEA Participating Schools

<https://www.tn.gov/education/iea/iea-resources.html>

Tennessee Bureau of Investigation (TBI)

<https://www.tn.gov/tbi/divisions/cjis-division/background-checks.html>

Tennessee Department of Health Abuse Registry

<https://www.tn.gov/didd/divisions/protection-from-harm/abuse-registry.html>

Tennessee Higher Education Commission on Post-secondary Education

<https://www.tn.gov/thec.html>

Tennessee State Board of Education (SBE) Rule for IEA Program - Chapter 0520-01-11

<https://publications.tnsosfiles.com/rules/0520/0520-01/0520-01-11.20220327.pdf>

Tennessee Bureau of Investigation Sex Offender Registry

<https://www.tn.gov/tbi/general-information/tennessee-sex-offender-registry.html>

## ***Tennessee Code Annotated References***

Tennessee's School Attendance Law (1)

[Tenn. Code Ann. § 49-6-3001](#)

Individualized Education Act

[Tenn. Code Ann. § 49-10-14](#)

## ***IEA Program Forms***

ABLE TN Contribution Request for IEA Account Holders Form

[https://stateoftennessee.formstack.com/forms/able\\_tn\\_contribution\\_request\\_for\\_iea\\_account\\_holders](https://stateoftennessee.formstack.com/forms/able_tn_contribution_request_for_iea_account_holders)

Computer Hardware and Technological Device Pre-Approval Request Form

[https://stateoftennessee.formstack.com/forms/computer\\_hardware\\_and\\_technological\\_devices\\_preapproval\\_form](https://stateoftennessee.formstack.com/forms/computer_hardware_and_technological_devices_preapproval_form)

Curriculum Pre-approval Request Form

[https://stateoftennessee.formstack.com/forms/curriculum\\_preapproval\\_request\\_form](https://stateoftennessee.formstack.com/forms/curriculum_preapproval_request_form)

Educational Therapies and Services Pre-approval & Agreement Form

[https://stateoftennessee.formstack.com/forms/educational\\_therapies\\_and\\_services\\_preapproval\\_agreement\\_form](https://stateoftennessee.formstack.com/forms/educational_therapies_and_services_preapproval_agreement_form)

IEA Account Holder and Student Information Update Form

[https://stateoftennessee.formstack.com/forms/account\\_holder\\_and\\_student\\_information\\_update\\_form](https://stateoftennessee.formstack.com/forms/account_holder_and_student_information_update_form)

IEA Coverdell Contribution Request Form

[https://stateoftennessee.formstack.com/forms/coverdell\\_education\\_savings\\_account\\_contribution\\_request\\_for\\_iea\\_account\\_holders](https://stateoftennessee.formstack.com/forms/coverdell_education_savings_account_contribution_request_for_iea_account_holders)

IEA Quarterly Expense Report

[https://stateoftennessee.formstack.com/forms/iea\\_expense\\_report\\_202021\\_school\\_year](https://stateoftennessee.formstack.com/forms/iea_expense_report_202021_school_year)

IEA Student Withdrawal Form

[https://stateoftennessee.formstack.com/forms/student\\_withdrawal\\_from\\_iea\\_program](https://stateoftennessee.formstack.com/forms/student_withdrawal_from_iea_program)

Notice of School Transfer Form

[https://stateoftennessee.formstack.com/forms/name\\_of\\_school\\_transfer](https://stateoftennessee.formstack.com/forms/name_of_school_transfer)

Online Learning Program/Course Pre-Approval Request Form

[https://stateoftennessee.formstack.com/forms/online\\_preapproval\\_request\\_form](https://stateoftennessee.formstack.com/forms/online_preapproval_request_form)

Participating Schools Required Textbooks Affidavit Form

[https://stateoftennessee.formstack.com/forms/participating\\_schools\\_required\\_textbooks\\_affidavit\\_form](https://stateoftennessee.formstack.com/forms/participating_schools_required_textbooks_affidavit_form)

Post-secondary Institution Required Textbooks Affidavit Form

[https://stateoftennessee.formstack.com/forms/postsecondary\\_institution\\_required\\_textbooks\\_affidavit\\_form](https://stateoftennessee.formstack.com/forms/postsecondary_institution_required_textbooks_affidavit_form)

Student Assessment Verification Form

[https://stateoftennessee.formstack.com/forms/student\\_assessment\\_verification](https://stateoftennessee.formstack.com/forms/student_assessment_verification)

Tutoring Services Facility Pre-approval & Agreement

[https://stateoftennessee.formstack.com/forms/tutoring\\_services\\_facility\\_preapproval\\_agreement](https://stateoftennessee.formstack.com/forms/tutoring_services_facility_preapproval_agreement)

Tutoring Services Pre-approval & Agreement Form

[https://stateoftennessee.formstack.com/forms/tutoring\\_services\\_preapproval\\_agreement](https://stateoftennessee.formstack.com/forms/tutoring_services_preapproval_agreement)

W-9 form

<https://www.irs.gov/pub/irs-pdf/fw9.pdf>